REPORT ON INVESTIGATION

OF

CITY'S FINANCIAL CONDITION

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by

J.R. Cowell

Director, Public Service Bureau

The Toledo Chamber of Commerce

April 23, 1921

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REPORT ON INVESTIGATION OF C[illegible]

On Monday, November 22, 1920, a m[illegible] at ten a.m., pursuant to the following call [illegible] dressed to the following citizens:

Mr. Walter Stewart, President of The Toledo Chamber of Commerce;
Mr. Wilbur Owen, President of the Rotary Club;
Mr. Oliver Myers, President of the Central Labor Union;
Mr. Fred Searle, President of the Kiwanis Club;
Mr. Ben L. Stephens, President of the Exchange Club;
Mr. O.C. Norton, President of the Lions Club;
Mrs. S.M. Jones, President of the Woman's Club;
Mr. W.K. Stewart, President of the Ad Club.

Copy of Mayor's Letter

"My fellow-citizens:

"I am addressing this letter to you because you are the chief executive of a representative civic organization, and I send it in my official capacity as chief executive of the city in which we are all most vitally interested.

"Efficient city government concerns me in a dual capacity - as an official and as a citizen. Efficient city government likewise concerns you in a dual capacity - as officials of your respective organizations and as citizens.

"Each taxpayer is interested not only in the amount of taxes he pays, but also in the public service that taxation produces. He has a right to expect as many one hundred cents of value for each dollar paid as it is humanly possible to render. This is fundamental in a people's government, but that expectation, of course, should be founded upon facts.

"I want efficient government. I want economical government. I know that your organizations and you as their chiefs have the same desire. Our interests are therefore mutual.

"I earnestly request you to meet me at the mayor's office on Monday, November 22nd, at 10 a.m. The object of this meeting is constructive. I want you to know all the facts pertaining to the government of the city - its management and its finances. I am calling you in as citizen advisers, and as such advisers every facility will be afforded to know every detail of city activity.

"It is my sincere hope that out of this meeting may arise a permanent union of official and civic cooperation that will mean much to the growth and welfare of the city.

Sincerely yours,

(Signed) CORNELL SCHREIBER,

MAYOR."

At this meeting the financial condition of the city was laid before those present by Mayor Schreiber and Finance Director J.J. Higgins, and after considerable discussion by those present it was agreed upon unanimously that an investigation be made of the city's financial condition, and the manner in which public money was being expended; also that an inquiry be made into the method of conducting the business affairs of the several departments of the municipal government.

With this end in view, the following resolution, written by the Mayor and seconded by Mr. W.F. Broer, representing the Rotary Club, was unanimously adopted:

> "To effect a union of official and civic cooperation, John R. Cowell be appointed to undertake a thoro investigation of all city accounts, and to report to the city officials and to the public."

Your investigator, who is the Director of the Public Service Bureau of The Toledo Chamber of Commerce, has been engaged since appointment in an investigation of the financial condition of the city, and the manner in which public funds are expended, in connection with those activities, which are of a strictly municipal character, and provided for in the present city charter.

At the beginning of the investigation Mayor Schreiber offered whatever assistance would be necessary to accomplish the work undertaken, and assistance has been given by means of information and reports from the administrative heads of the city government, during the course of the investigation.

There is, of course, a natural diffidence on the part of many of the employes of the city toward making a frank and complete statement of the condition of affairs in their different departments, due to the feeling that they might be removed from office if it was discovered that they had been guilty of extending information or giving facts that might cause public criticism of the administration. On the other hand, a number of the officials have been entirely free in their information, and have relied on the expressed wish of the Mayor that everyone should give all the information and assistance in their power toward making the investigation of service to the community.

Your investigator therefore wishes to publicly thank Mayor Schreiber and all other city officials of whom requests have been made for information and data in connection with city affairs, and for the general willingness to assist that has been manifested during the course of the investigation.

Your investigator has constantly kept in mind the importance of drafting such a report as would be of interest to the citizens, as this is the most important object to be attained in the publication of the report, namely, an enlightened and intelligent public opinion. A studied effort has been made to avoid the confusion consequent on the presentation of a large and complicated mass of figures, and figures have been used only where necessary to drive home the salient and important features of the report.

In spite of repeated efforts made by your investigator to secure information and suggestions from the general public, that would assist in the conduct of the investigation, very little response has been made. This is much to be regretted, as it shows a state of public opinion which here, as elsewhere, is largely responsible for the failure of our average city government to satisfy the popular demand for businesslike efficiency. It is to be hoped that the publication of the report will in some measure, at least, develop a deeper interest on the part of our citizens in the business affairs of the municipality.

With this particular end in view, this report is -

Respectfully submitted,

J. R. Cowell

Dated at Toledo, Ohio -
April 23, 1921.

Director, Public Service Bureau,
The Toledo Chamber of Commerce.

GENERAL COMMUNITY EXPENDITURES

A general survey of the financial condition of this community would not be complete or satisfactory if attention were not paid to the expenditures of the municipality for all common purposes, which include those activities centering in the city hall and controlled by the Mayor, expenditures for strictly educational purposes and controlled by the Board of Education, and expenditures for county purposes controlled by the County Commissioners (subject to certain provisions of state law).

The year 1921 brings this community of 250,000 men, women and children facing an estimated public expenditure of $4,155,000, including sinking fund and interest charges, for strictly municipal purposes; $3,210,000 for educational purposes; and $1,733,000 for county purposes.

This means an approximate per capita expense of $16.50 for municipal purposes; $13.00 for educational purposes; and $6.00 for county purposes; making the total per capita expenditure for all local purposes by the people of Toledo, $35.50.

The total estimated expense for these three tax fund expending bodies - the city, board of education and for county purposes - for this year, being in round figures, $9,100,000. The above figures apply for city expenditures, to those living within the city limits, the total expense of the board of education covering the entire school district, which takes in part of Adams and Washington Townships, the duplicate value of these two sections being respectively $3,215,320 for part of Adams Township and $4,978,140 for the part of Washington Township included, and the county expenditures covering the cost of departments of the county government centered in the courthouse.

As approximately 90% of the taxes collected in Lucas County (which also includes the city) is contributed by the citizens of Toledo, the above figures for county expense per capita and in total are arrived at on that basis.

Based on expenditures for the year 1915, a comparison between that year and 1921 shows the increase in municipal expenditures to be 81%; for educational purposes 167%; for county purposes 130%; and an increase in population during that period of 23%.

These figures are given for the purpose of pointing out the very large and serious increase in the expense of carrying on the different governmental functions of this community, and also the importance of exercising the greatest care and economy in the expenditure of public funds and securing the maximum of efficiency in service in the operation of all public departments, so that the burden of taxation may not be unduly increased and that the citizens may still secure the necessary service at reasonable cost.

In this connection, it is proper to bear in mind that the expense of the divisions of Market, Cemetery and Water are not included in the above amounts, as these departments are self-supporting, their financial support coming from those citizens who receive the particular service rendered by these divisions of the city government.

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The year 1921 brings this community of 250,000 men, women and children facing an estimated public expenditure of $4,155,000, including sinking fund and interest charges, for strictly municipal purposes; $3,210,000 for educational purposes; and $1,735,000 for county purposes.

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The figures given above for strictly municipal expenditures also do not take into account the receipts to the different departments from Municipal Court fines and costs, inheritance tax, licenses, interest on deposits in banks, inspection fees, etc., which are estimated this year at $330,000. As some of these are in the nature of a tax in themselves, and many of them are imposed simply for the purpose of raising additional revenue to carry on the work of the different city departments, it has not been considered essential to view these as reducing the cost per capita of local government.

During the past seven years the city government of Toledo has shown a deficit in operation expense of approximately $2,780,000. The following figures show the income and expense of those departments centering in the city hall for the seven years referred to. Operating revenues as shown below include funds received from general taxation and the ordinary receipts of the different departments for license fees and particular services rendered. Both items of income and expense as shown below do not include figures for the Water, Cemetery and Market Divisions, these being self-supporting institutions:

Year	Operating Revenues	Operating Expenditures	Sinking Fund Requirements	(Provided for in full by separate levy.)
1914	$1,134,963.79	$1,471,029.54	$ 821,950.82	
1915	1,212,393.03	1,548,665.76	743,989.91	
1916	1,037,566.93	1,398,640.92	1,119,447.03	
1917	1,543,899.51	1,615,545.75	1,176,061.56	
1918	1,654,482.62	1,996,868.22	1,248,985.77	
1919	2,104,323.44	2,454,342.47	1,128,600.00	
1920	1,771,437.36	3,048,723.62	1,148,748.00	

The deficit referred to above has been met by the sale of bonds, which call for the setting aside every year until the bonds are retired, of a considerable sum for sinking fund and interest purposes, making further inroads on the amount of money that can be used for the operating expenditures of the city.

There are a number of contributing causes for this deficit. Attention is called to the following -

(1) A gradual diminution to the point of extinction of the amount received from liquor taxes.

(2) The severe restrictions imposed on the municipalities of the state by the provisions of the Smith Law.

(3) The prevailing extravagance of city governments, and the very serious natural increase in the cost of carrying on government in a city like Toledo, due to the large increases in material and labor costs during the last five or six years.

(4) The apportionment of the tax funds made by the County Budget Commission.

Referring to the first cause, the financial loss to the community due to the entire absence of the receipts formerly secured from liquor licenses -

It was thought at the time this first went into effect that this loss would at least be partly offset by the reduction of expense in carrying on the agencies of the community employed in the prevention and detection of crime and the upkeep of correctional and protectional institutions.

It is true that the crime of drunkenness has been very largely decreased, but there has developed from other causes an increase in crimes of a more serious and violent nature, which, together with the increase in growth of the community, has added considerably to the expense of the agencies established for the protection of life and property.

It must not be forgotten, however, in this connection, that there has been a considerable increase in the general receipts of the city from other sources than that derived formerly from the revenue from liquor, such as inheritance tax, licenses, fines and costs in the Civil and Criminal branches of the Municipal Court, cigarette revenue, inspection fees, and many other similar items which go to make up the total amount estimated for 1921, of $330,000.

The second cause contributing to this deficit is the very restrictive provisions of the Smith Law. This law has now been in operation approximately ten years. It has been termed a "1%" tax law, which is a misnomer, as it started off with a 1% limit for operating expense, which included all the expense of the county, board of education and municipality. This limit was extended ½% to include the rapidly increasing yearly amounts expended for sinking fund and interest purposes. This 1½% limit was even further extended by certain provisions made for levying a tax for university and health purposes, and from that time on the limits have been again increased until at the present time the tax rate for 1920 in this community is 19.4 mills, or almost 2% of the total tax duplicate value.

It can therefore be readily seen that the fundamental principle of the Smith Law has been completely broken down. In many of its main provisions the law was not fundamentally sound, as the experience of the last five or six years, especially, has shown to be true. No legislature, however wise, could have possibly anticipated the conditions that have been brought about in the last four or five years due to the war and the rapidly increasing costs of government as a result.

The history of tax legislation in the state of Ohio in the last eight or ten years presents, therefore, nothing but a chaotic maze of amendments and changes, until it is almost impossible to find any two prominent officials in the state who can agree as to just what the tax laws of the state call for.

In many of the cities of the state little attention has been paid to the provisions controlling the charges for sinking fund and interest purposes. Toledo is fortunate in this respect, as there is no city in the state that so carefully safeguarded the provisions of the Smith Law in this respect as has Toledo. As a result, we are today in the fortunate position of still having considerable leeway in our ability to issue bonds for capital expenditures in

Toledo. Some of the cities of the state have already reached this limit, as a result of extravagance and unwise expenditures in the past, making little or no provision for the redemption of bonds when due, and the constant habit indulged in of refunding bonds at maturity, thereby adding enormously to the interest charges.

It is only fair, in discussing this question, to point out that the Smith Law has been productive of some good in helping to curb the over-extravagant ideas of many of the city administrations of the state, and your investigator believes it is correct to assume that if it had not been for these restrictive conditions, the operating deficit in Toledo would have been considerably more than it is at present.

The legislature of the state of Ohio is at this time engaged in an effort to so revise the tax laws of the state as to make proper provision for the increasing expenses of government, especially in the cities, but the danger to be feared is that resulting from all such piecemeal legislation, namely, a fundamentally unsound law which does not meet the real situation and accomplishes only a temporary purpose.

In considering the third cause or series of causes for this large deficit, the question of the extravagant use of public moneys in this municipality will be gone into in further detail in dealing with the individual departments and divisions of the city government, later on in the report.

The large increase in the cost of materials used by the city is one that could not very well be avoided. The only protection the community would have in a case of this kind would be to exercise the greatest care and economy in the use of the material bought for city purposes during the high priced period, and unfortunately this is not a practice commonly indulged in by most city administrations.

A large addition to the expense of government in this municipality has been due to the considerable increase in salaries and wages paid the employes of the city. Judging from the present wage scale and salary schedule, it would not appear as if the proper care and business judgment had been used in arriving at these figures. It would appear to your investigator as if the most satisfactory method of dealing with this question would be for the Mayor and his cabinet to make a thorc revision of the wage scale and salary schedule, as they are in much better position to know the value of the services rendered than any Council Committee could possibly be. The city should not pay any more for services rendered than that paid for similar services rendered to a private company or individual. An effort in the direction of classifying the position, salaries and services rendered in the different departments is now being made by the Commission of Publicity and Efficiency.

The fourth reason is the fact that under the provisions of the Smith Law the apportionment of the tax fund contributed by this community rests with the Budget Commission, composed of three county officials - the County Auditor, County Prosecuting Attorney, and the County Treasurer.

The Budget Commission naturally operates as a County Commission,

and in its decisions is undoubtedly influenced by that fact in making its apportionment and securing for the county government and its departments just as much out of the common treasury as they possibly can.

The requirements of the Board of Education have been usually taken care of in the division of the fund made annually. As expenditures for educational purposes seem to meet a more popular demand than those for strictly municipal purposes, the general result has been - and it must be noted here - that during the ten years of operation under the Smith Law the percentage of the total amount of the tax fund received for strictly municipal purposes has decreased, whereas the percentage of the total amount received for educational and county purposes has increased.

This means that since the establishing of the County Budget Commission, who have charge of the division of tax funds, the municipal government does not receive as large a proportion of the tax funds collected for all purposes as they did prior to 1911, but the Board of Education and the county government receive a larger proportion than they did prior to 1911.

In considering the question of the cost of government in a community like Toledo, quite a number of our citizens are apt to assume that this is a matter of importance only to the tax payer who pays his taxes direct to the county treasurer. This is a great mistake and leads often to a lack of interest on the part of those who excuse their indifference to expenditures in the city by saying: "Let the city spend what it pleases - I don't care! That is a matter for the taxpayers to worry about." Extravagant use of public money or lack of efficiency in the departments of the city government are naturally reflected in the increased cost of the government and higher taxes per capita.

Let it be clearly understood that this is contributed to, by every man and woman in Toledo. Those who do not pay direct to the county treasurer pay their share of the taxes in the bills incurred for all the necessaries of life, in charges for rent, heat, light - in fact every time they pay a local bill some portion of that is set aside for the purpose of paying the cost of government in Toledo. The sooner this idea is dispelled, the sooner the citizens of Toledo will begin to realize that this question of the cost of government is one that seriously and vitally affects everyone in the community.

The increase in the per capita expense since 1915 is as follows:

For municipal purposes, including sinking fund and interest charges	46.27%
For educational purposes	111.37%
For county purposes	62.60%

These figures are based on an estimated population in 1915 of 203,171, and in 1921 of 250,000.

These figures also indicate clearly that the increase in expenditures in this community for the last six years has been greatest for educational

purposes, and that the increase in county expenditures has been much larger than the increase in expenditures for strictly municipal purposes. This is due, in regard to Board of Education expense, to the popular demand for more modern and up-to-date school facilities in the community, better pay for teachers, etc.

During the past seven years deficiencies in operating revenues in Toledo for strictly municipal purposes have amounted to $2,779,704.36 for which bonds have been issued as follows:

1916	$850,700.00
1920	845,387.88
1921	1,083,616.48
Total	$2,779,704.36

By the time these bonds reach maturity and will be retired the following amounts will have been paid for interest -

On No. 1 issue	$579,691.00
On No. 2 issue	355,075.00
On No. 3 issue	520,136.00
Total	$1,454,902.00

We will be paying, therefore, as a penalty for having lived beyond our income for the past seven years, almost one and one-half million dollars interest, in addition to meeting charges annually for the redemption of bonds when matured, spread over the years until 1942, as the first issue sold in 1916 covered a twenty-five year period, the two last issues being for seven and eight years respectively.

During all the years until 1942 our operating revenues will be decreased by the amounts set aside annually for principal and interest charges to meet this indebtedness, as the law provides that these obligations must be taken care of first.

The condition we are facing today, therefore, as far as municipal expenditures are concerned, is one that has gradually become aggravated in the last seven years, and applies to former administrations as well as the present one, and criticisms made in this report apply to former administrations as far as they are liable for this condition.

OFFICE OF MAYOR

One of the important features of the new City Charter under which the government of Toledo is now operating, is that one dealing with the preparation of an estimate of the expense of conducting the affairs of the city for the following year, and which the charter provides should be prepared on or before the 15th day of November in each year for the ensuing year's expenditures. This was a most wise provision of the charter, and one particularly adapted for the purpose of securing a more businesslike handling of the public funds of the community. Altho the charter went into effect on the 1st day of January, 1915, the year 1921 is the first in which the requirements of the charter with regard to this estimate, or budget, have been carried out at the time provided for in the charter. In some of the preceding years the presentation of the budget has been delayed three or four months.

In calling attention to the importance of this feature of city government, it must be pointed out that the provisions of the charter are not being fully complied with in the preparation of the budget. The charter provides that "these estimates shall be compiled from detailed information obtained from various departments on uniform blanks prepared by the Director of Finance".

It provides further that the budget shall set forth reasons for proposed increases or decreases in such items of expenditures, compared with the current fiscal year. Budgets as presented since the charter went into effect have not shown these reasons. The only reasons given are those set forth orally by the department heads or commissioners of divisions, who may or may not be called in during the discussion of the different budget items.

This provision of the charter should be lived up to literally - first, because it tends to put every department head and commissioner of the different divisions in close and intelligent contact with the detailed needs of his department or division. As it is now, this work is too often done by subordinates and the reasons given very often for additional expenditures are too vague and indefinite to be regarded as good, sound, business reasons for the inclusion of these items in the budget. Second, a complete statement of these reasons would be of immense benefit to the public and to the members of the City Council who have finally to pass on the budget when completed.

A comparison of these reasons for additional expenditures, as given by the different departments, would place those in charge of the work of finally passing upon the budget in an intelligent position to determine which increased expenditure would be likely to best meet the public needs, and which one might be delayed until a more opportune time.

The charter also provides that "the budget shall set forth separate schedules of each department, showing the things necessary for the departments to do during the year and things desirable to do if funds permit". This is another provision which has never been acted upon and which should be made a feature of each budget presentation.

Another feature of the budget as provided for in the charter is that one requiring that "items of payroll increases, as either additional pay for present employes or pay for more employes", shall be set forth in the estimate. This has never been complied with since the charter went into effect, in spite of the fact that it must be apparent to the Mayor and heads of the city administration that these provisions of the charter are essential to the intelligent presentation of the budget provisions. It would seem to be inexcusable that

while private organizations have clamored for the past six years to have the budget presented in the form provided for in the charter, this has not been done up to the present time, and some of the most important features of the charter dealing with this matter have been completely ignored.

The public is not interested in paltry details of the city government. But when it is realized that the expenses of the city have exceeded all possible income from all sources in the last (7) years by over $2,750,000, one can hardly find fault with civic organizations and private citizens for their criticisms, especially when it is known that the charter provides for the proper safeguards to the public in its budget provisions.

It is a surprising thing that the Executives of the city since the charter went into effect, have not insisted on the budget being presented as provided for in the charter. The essential details which have been ignored and to which attention has been called above, would be of tremendous advantage to the Mayor as the manager of the business affairs of the community. Without this information it is impossible for the Business Manager of the community (which the Mayor is, or should be) to properly guide and control the affairs of the different departments under his direct charge.

Another matter to which attention must be called here is the utter disregard of the basic reasons for the presentation of the budget. This estimate of the expenditures for the ensuing year is, or should be, made as a guide for the expenditures of the year, which should not be deviated from in the slightest degree, unless in case of emergency conditions which could not be foreseen. This principle has been lost sight of completely and the result is that in not a single year since the charter went into effect has the city lived anywhere nearly within its income. Every year has shown a considerable deficit, up to the present time, amounting to over $2,750,000. While the deficit here is not as large as in some of the other cities of the state, this condition does not excuse the local government for its carelessness in exceeding the income to such a large extent. It was well known that the State Legislature in the passage of the tax laws had clearly defined the limits to which the municipalities of the state could go. If it was impossible to live within these limits and maintain the necessary departments of the city in fair working condition, other means should have been taken to raise money by methods which could have been used for temporary purposes, some of which have been put into effect since, such as the assessment on real estate for street cleaning purposes.

The practice of issuing bonds to meet deficiencies in operating revenue is indefensible and can hardly be excused, no matter what the apparent reason may be. The present 1921 budget shows a possible deficit for the year of $110,000. The Finance Director, however, assures us that his estimate for ordinary receipts is low and that he has been conservative in the estimate for receipts from taxation. In addition to this, it is possible that in many of the departments with proper care and economy savings can be effected during 1921. If ordinary care is taken and there is a real desire for economy the City of Toledo <u>can</u> live within its income this year. The course of the city government in regard to this matter will be watched during the present year with considerable interest.

It is therefore strongly urged by your investigator that this and future city administrations live up strictly to the charter provisions for the preparation

of the budget, as a means of securing economy, and as a measure designed to create a more intelligent public opinion and one that will bring about a greater degree of efficiency in the several departments of the city government by demanding greater carefulness and scrutiny in the preparation of the figures for the expense of each department for the ensuing fiscal year.

In nearly all successful private business undertakings today it is found essential to have frequent meetings between the Chief Executive and the administrative heads of the different departments, in order that they may seek counsel together and discuss the operations and needs of the different departments and the proper measure of cooperation from other units of the business, and maintain the general policies established by the directing management.

It is highly desirable that a plan of this kind be put into effect in our city government. More frequent meetings of all the heads of the departments in the Mayor's cabinet, with the Chief Executive, would have a beneficial effect and would be likely to result in many suggestions for economy and efficiency in operation from time to time. In addition to this, there should be meetings arranged in which the Commissioners of Divisions could consult very frequently with the director in charge of the department, of which they are a part. Suggestions can be made in a meeting of this kind that will result in a betterment of the service, without appearing as a criticism of the particular official in charge of the division regarding which such suggestions may be made.

The need of team work and cooperation is very apparent in the administration of public affairs in the city government. Too often the business affairs of the community are carried on as a lot of scattered units, not tied in to each other, and with apparently no initiative desire to cooperate together to secure the greatest amount of service for the general public, whom they represent. Every display of intelligent initiative on the part of the officials of the city should be encouraged and developed if service is to be rendered that will be satisfactory to the general public and secure their confidence.

All appropriations for departments, or divisions in the department, should be so apportioned during the period covered by the appropriation, that it can be readily ascertained by the director in charge of the department when a division or department is exceeding its allowance. If more close and careful attention had been paid to this essential feature in efficient government, it is not likely that the municipal government of Toledo would have accumulated as large a deficit as it has up to the present.

Much thought has been given in the past few years to the very vital subject, among others, relating to the successful, businesslike handling of public affairs in municipalities. Out of all the discussion and research on this subject of business in political city government, there has been evolved the City Manager Plan of municipal government, which has up to the present been adopted by one hundred and forty-one (141) municipalities in the United States, among the largest of which are: Sacramento, California; Tampa, Florida; Dubuque, Iowa; Wichita, Kansas; Bay City, Grand Rapids, Jackson and Kalamazoo, Michigan; Niagara Falls and Auburn, New York; Akron, Ashtabula, Dayton, East Cleveland, Lima, Sandusky and Springfield, Ohio; Beaumont, Texas; Norfolk, Portsmouth and Roanoke, Virginia; and Wheeling and Charleston, W. Virginia.

This new form of city government has not been brought about merely because of a desire on the part of these communities to have a change, as it is

because the old Mayor-Council plan has not proven satisfactory and in fact has failed to give satisfaction and retain the confidence of the public. Some of the larger cities in the country are now seriously considering the adoption of this plan. It has proven successful wherever tried. The new Model Charter drafted by the National Municipal League is a City Manager Charter.

The records of the municipalities where the plan has been adopted, show most conclusively that it has succeeded in bringing about greater economy and a larger measure of efficiency in all operations of that particular city government. Organized labor, as well as the businessmen of the communities where it is in operation, hail it as a step in the right direction and a practical benefit to the whole community.

Your investigator would therefore strongly urge the careful consideration of this plan by the citizens of Toledo, if not its inclusion in the charter law of the municipality. The present system of dual control by means of the Mayor-Council form of government affords too many opportunities for "passing the buck", and avoiding responsibility. This plan centralizes authority and places responsibility on the shoulders of the City Manager in such a manner that there can be no opportunity for shelving it on others. It has the advantage of simplicity and directness, which is conducive of satisfactory results in city government.

Your investigator would therefore recommend that the adoption of this plan be laid before the citizens of Toledo in the form of an amendment to the charter, which, together with the recommendation for a smaller council, elected at large, would complete the plan for this form of municipal government.

CITY COUNCIL

Provision is made in the Charter of the City of Toledo for the election of a Council, in whom shall be vested the legislative power of the city, except that power reserved to the people as a whole thru the exercise of the ballot.

The present Council consists of sixteen (16) members, one from each ward in the city. The ward plan of election for Council has never at any time proven satisfactory to the great body of the public, and the only excuse offered for the present plan of election is that by this means every section of the community has a representative in the Councilmanic body. The tendency all over the land today is to reduce the number of Councilmen, making the districts represented larger and electing the members at large.

It must be pointed out here that where there is one question that comes before the City Council from time to time that directly deals with the particular interests of one section of the city, there are ten presented in which the citizens of other sections of the city or the whole community are vitally interested.

Therefore, it is a matter of importance to the citizens generally as to the character and general qualifications of the representatives of every ward in the city. The ward plan does not bring out the best men in that section. Little cliques of special interests in each section, by strenuous work in campaign, can secure the nomination and election of someone for the office whose only reason for running very often is that he wants the job. There is no work coming within the jurisdiction of the City Council that could not be performed more expeditiously and with a greater measure of efficiency by a body much smaller in numbers without impairing in the least its responsiveness to public opinion or its effectiveness in representing all sections of the community.

It is almost a misnomer to call the Council a "Legislative Body", as the bulk of the business that comes before them is not of a purely legislative character, but has to do with matters of the most practical importance, such as the building of streets, construction of sewers, laying of sidewalks, erection of signs, entering into the details of expenditures of public money for all kinds of public improvements, and increases in salaries and wages paid in the different departments.

The office, therefore, requires a knowledge of business affairs and some practical experience in dealing with them, an intimate acquaintance with the needs of the community, a general but firm grasp of the financial condition of the city, and the effect on that of all items of expenditures as they are presented, the ability to voice the sentiment of the constituency, and a mental and moral caliber that will attract and retain the confidence of the citizens.

A scrutiny of the attendance of the members of Council at both Council and Committee Meetings indicates the degree of interest and attention to detail manifested by the representatives of the different wards. One member of the Council during the past year has missed eight meetings of Council and another has missed seven. On Committee work, which after all is the important work of the Council, where the details of all matters presented are threshed out, during the past year one member has missed seventeen meetings of committees of which he

is a member; three have missed eight, two have missed seven each, and one has missed six.

The members of Council are paid $660 per year, or $55 per month.

Section 31 of the City Charter provides that for each absence of a member from regular meetings of the Council, unless authorized by a two-thirds' vote of all members thereof, there shall be deducted a sum equal to 2% of his annual salary; for each absence of a member from a Council Committee Meeting, whether regular or called, unless authorized by a two-thirds' vote of all members of the Council, there shall be deducted a sum equal to 1% of his annual salary.

It was evidently the intention of those who framed the charter that this clause should secure as near a perfect attendance by the membership at the meetings of Council as possible, and was not intended merely to secure immunity from the penalty for failure to attend, as provided for in Section 31. It is quite a common practice for the Council now, as a matter of habit, to pass resolutions excusing the members who have failed to attend to their duties, thereby making void the real intent of this clause.

It is not too much for the citizens of Toledo to expect of their Councilmen that they should be regular and prompt in their attendance at both Council and Committee meetings. It is impossible for men who have only a short time in which to become acquainted with the very important matters that come before them for attention, to pass intelligently and accurately upon them, unless they attend committee meetings and are familiar with the details of the different proposals presented. It is evident that the Council, as organized in the average city, does not secure that measure of public confidence so essential to efficient government. The best results can only be obtained by securing men for City Council who cannot only represent the constituency accurately and in a responsive manner, but who can also bring to bear upon the different questions that come before them the requisite knowledge and the proper degree of interest and unselfish enthusiasm that can secure the greatest benefit to the community.

Many cities all over the country are reducing the number of members in the City Council, thereby doing away with the unsatisfactory results arising from the actions of an unwieldy body of this kind. This has been done in connection with the organization of Councils in cities as large as, and some even larger than, Toledo. The City of Columbus now operates with a Councilmanic body of seven members, elected at large. The Indianapolis Council has nine members at $600 per annum. The Detroit City Council is composed of nine members, elected at large, taking the place of a Council of forty-two members.

This modern tendency seems to be in the right direction. Reducing the number of members and securing their election at large would certainly result in the selection of a higher and better type of representatives being chosen for this work; would centralize responsibility; would help to restore the now weakened confidence of a great body of our citizens; and would in general bring to the consideration of the important matters that come before the local legislative body therequisite capacity to grapple with and properly solve the complex problems of such a rapidly developing and growing community as the City of Toledo.

In view of these reasons, therefore, your investigator would suggest that an amendment to the charter be laid before the voters of this city, for their approval at the next election, providing for the division of the city into not more than nine divisions, or sections, two of them to be in East Toledo, each division to be represented in the legislative body of the city government by one representative elected at large but who shall be a resident of the section for which he is nominated.

DEPARTMENT OF PUBLIC SAFETY

DIVISION OF FIRE

The most costly Division of our municipal government at the present time is the Division commonly known as the Fire Department. The estimated expense for this department under the present system in force in the operation of the department, namely, the two platoon system, and after all the items of expense in the budget in this department have been pared down as low as possible, amounts to $793,893.80 for 1921. This does not include the cost of the new equipment, which the Chief insists should be purchased by the city to keep the department up to an efficient standard and to replace old and wornout equipment. The cost of this equipment will be met by the issue of bonds for the purpose of securing funds for capital expenditures in this and other divisions of the Safety Department.

It has been estimated that the expenditures of the department under the three platoon system, or eight hour day basis, for which the people of Toledo voted in the November election of 1919, but which has never been put into full operation, will be $1,060,000, and it is agreed by all those who have figured this cost in detail under the three platoon system, that this amount cannot be reduced if the efficiency of the department is to be maintained.

When we contrast the estimated cost for 1921 with that of the actual expenditure of 1919, which was $370,438.88, we note that in the short space of two years the cost of this department, even under the two platoon system, has more than doubled. The following figures clearly indicate the very serious growth in the expense of operating this department -

Year	No. of Stations	No. of Employes	Total Expenditures	Population	Per Capita Cost
1906	16	161	$186,920.22	154,523	$1.21
1910	17	224	248,431.21	168,498	1.47
1915	17	241	385,374.04	203,171	1.89
1920	18	411	636,213.24	243,164	2.61
1921 (Est. under two platoon system)	18	416	793,893.80	250,000 (Est.)	3.17

Estimated under the three platoon system for 1921, or any part of it, per year, would be $1,060,000, making the per capita cost $4.24, based on a population of 250,000.

The following figures show the percentage of increase in each of

the above items since 1906 -

No. of Stations	12½%	increase
No. of Employes	158 %	"
Amount Total Expenditures	325 %	"
Population	62%	"
Per Capita Cost	162 %	"

It is hardly necessary to point out that this alarming increase in the cost of this one department of the city's activities should call for the most serious consideration on the part of the citizens generally, and particularly on the part of those officials in the city government charged with the duty of protecting the interests of the people of Toledo.

In 1919 the employes of the Fire Department organized into a union, affiliating with the Central Labor Union. There seems to have been no good reason for taking this step, unless it might be the purely selfish reason of being able to use the organization as a club for the purpose of securing their demands with regard to increased pay and the lessened hours of service, and any others that might be made.

The firemen of Toledo had been well treated in the past, and because of the generally favorable impression in the minds of the public regarding the department, it is safe to say that any demands for the bettering of the conditions of the men, or for increased remuneration, were acted upon as quickly in the case of the Fire Department as that of any other department in the city.

It is true that the hours of the men on service were long, but this would have been remedied in a reasonable time, as has been indicated by the passage of a State Law on February 4, 1920, providing for the operation of the Fire Departments of the cities of Ohio on the two platoon basis, or twelve hours per day.

The campaign of the fall election of 1919, waged by the Firemen's Union for the adoption of the three platoon system, or the eight-hour day in the Fire Department, was waged purely on a sentimental basis. All the facts in connection with the proposal laid before the voters were not made public. It was not known generally, for instance, that the men received in addition to a good salary (which at the present time starts at $125 per month and soon reaches $150), the men were allowed four hours a day for meals, were allowed one and one-half days off in every six, receive ten days' vacation in addition each year, are entitled to ride free on the street cars of the city when in uniform, and are protected with their families by the operation of a pension fund from which pensions are paid for permanent disability or after twenty-five years of continuous service, pensions being payable to widows and children up to the age of sixteen. Pensions in the Fire Department range from $50 per month for regular firemen, to $90 per month for Chiefs.

The following figures show the increase in expenditures for Fire

and Police Pensions for the past five years, with estimate for 1921 -

1916	$55,023.17
1917	59,415.73
1918	63,675.28
1919	67,243.08
1920	69,338.05
1921 (Est.)	75,000.00

The figures showing the percentage of increase in expenditures, stations, employes, etc., demonstrate conclusively that the increase in the number of stations in this period has fairly kept pace with the growth in population, if proper allowance is made for the general reduction in the fire hazards by the erection of fire proof structures, the installation of sprinkler systems, the motorizing of the department, and the benefits derived from the operation of the high pressure system, all of which has been brought about at considerable cost to the community.

When we compare the other items, however, we find an entirely different state of affairs. While the population has only increased in this period 62%, the number of employes has increased 158%, and the total annual expenditure has increased 325%. The marked difference between the increase in population of 62% and the increase in per capita cost of 162% is accounted for partly by the increase in the number of men due to the adoption of the two platoon system and partly by the increase in salaries. If the three platoon system, or eight-hour day, goes into effect, the figures will show a very much larger increase in employes, total expenditures and per capita cost, as follows -

Three Platoon System, or the Eight Hour Day

Number of Employes	Annual Expenditures	Per Capita Cost
567	$1,060,000	$4.24

or, an increase over 1906 of - 252% in number of employes
412% in annual expenditures
250% in per capita cost

all, as compared with the increase in population covering the same period, of only 62%.

Religious and political partisanship and prejudice have not helped in the past few years to increase the morale of the department or the interest of the individual members in the service rendered to the community. There are perfectly good and capable men engaged in private enterprise in Toledo at the present time who were formerly in official positions in this department and who are now drawing from $50 to $90 per month from the city pension fund, who have been forced into private life and on to the pension rolls of the city because of political or religious prejudice. Some of these men at the time of their removal were good for ten to fifteen years of actual service in this

department and the demoralizing practice of removing men for reasons of this kind should be so frowned upon by the community as a whole, that this condition cannot occur again. This criticism does not apply to the present administration.

In this connection, your investigator would like to call attention to what seems to be a comparatively short period of service for the men in this department and the Police Department before being placed on the pension list. Many of these men now leave the department and take up other lines of work, drawing their full pension from the city in the meantime. They are fully capable of performing the service asked of them by the city in both departments and their years of experience and training would even better fit them for the duties of the department they serve than would be the case with younger men.

The suggestion is therefore made that the minimum limit of service in both departments before pensions can be secured should be raised from twenty-five years to thirty years.

Insurance companies figure that this pension for the men in the department is equivalent to a paid-up policy of $11,000, or an addition to the annual salaries of the men in the department, of $184.25. It can readily be seen from a study of the above figures that the interests of the employes of the Fire Department have been well taken care of, and that there was not much excuse for the organization of a union among the men or for the campaign conducted to secure the establishment of the eight-hour day in the department, especially in view of the fact that the public did not have full knowledge of all the advantages received by those employed in the department.

The report of the Fire Department for the year 1919 shows that the average number of hours during which the department was working at fires per station was 108, or an average of 17¾ minutes per day. This time is figured from the moment the apparatus leaves the station until it returns.

During 1920 the average number of working hours per station during the year was 103½, making an average of 17 minutes per day. Station No. 2 worked the longest time, 34¾ minutes per day, and Station No. 12 worked the shortest time, 6½ minutes per day.

A study of these figures will clearly indicate that under the two-platoon system now in operation the men in the Fire Department are not over-worked and that considering the many advantages enjoyed by the employes of this department the men are well remunerated and are probably in a more advantageous position than any other class of city employes.

It must be kept in mind all the time in considering this question of expense for fighting fire in this city, that there necessarily is included a readiness-to-serve charge, which cannot be avoided. The men are there on duty for call when needed, and are to that extent a protection to the community, which fact must not be disregarded. It is apparent, however, that the value of this readiness-to-serve charge has been over-estimated, and it is unfair in making a comparison between this class of city employes and others to assume

that their hours of labor per day should be on the same basis as those employes who work the full eight hours at whatever occupation they may be engaged upon.

There has been entirely too much interference by the representatives of organized labor in the administration of this department. Quite recently the union painter employed by the department was engaged in one of the stations, at the request of the Chief, in doing some plain job of painting, and was stopped by orders from the Mayor's office after a business agent of the Painters' Union had protested to the administrative officials because of the fact that this employe of the department was doing work he claims should have been done by men in the organization he represented. The work could have been performed by this special employe of the department at a considerable saving compared with what it did cost afterwards.

Not many years ago a great deal of the work around the fire houses and on the apparatus was done by the regular firemen in the department attached to these stations, such as carpenter work, painting and general repair work of all kinds. There is no excuse for this ordinary work being done by men outside the department, when the department employes have so much time on their hands that could be utilized in this way.

Rule 42 of the Rules and Regulations for the government of the Division of Fire in Toledo, is as follows -

> "Any necessary work to be done outside of fire duty but in connection with the department shall be performed by members when practical."

This interference by any outside interest is entirely unwarranted as far as the community is concerned, and is decidedly detrimental to the morale and discipline of the department, and it would seem to your investigator that the officials of the city were decidedly weak and negligent in the performance of their duty in not dealing more firmly with an influence of this kind which is so subversive of discipline and so completely ignores the interests of the great majority of the people who are served by the men of this department. When any organization representing only a part of the community or a single element in the society of that particular community attempts to control or unduly and unreasonably dictate to the government of that community, which exists for the benefit of all the people represented, right at that point such an organization becomes a menace and a danger which should be curbed and controlled in its action.

One does not need a very vivid imagination to realize what it means to an official in the Fire Department after having given orders to his men to perform certain work, to find that a business agent of the Central Labor Union can walk in and ignore him, and by the wielding of an imaginary political club induce higher officials to completely countermand his order.

The only excuse for the administration allowing such a condition to be brought about is that of political expediency. The unionizing of the men in

the department certainly tends to bring about a condition where the standard of morale and discipline will be lowered. The men instinctively and naturally will come in time to regard the officials of organized labor in the community as being their superior officers rather than the regularly appointed men at the head of the department. Many of the older men in the department now realize this and have no hesitation in stating that the adoption of the eight-hour day, or three platoon system, authorized by the people of Toledo, in itself will tend to lower the necessary morale and discipline of the department so essential to its efficiency.

Within the last few days a report has been presented to the City of Cleveland, by an engineer representing the National Fire Underwriters' Association, calling attention to the destruction of morale and general lack of efficiency in the Fire Department of the City of Cleveland, as a result of the adoption of the three platoon system, or eight hour day. The three platoon system has been in effect in Cleveland for sometime, and the disastrous results indicated by this report are looked upon so seriously that an effort is being made there to do away with the system and place the department on the two platoon basis, for which the state law now provides.

It is to be regretted that the officials of the City of Toledo did not take a more active part in the campaign waged by the unionized force of Fire Department employes. Their duty to the public they represented should have made it clear to them that the citizens were entitled to know all the facts in a matter of so much importance, and one that called for such a large additional expenditure.

It is the opinion of your investigator that the interests of the great majority of the people of Toledo were forgotten in the desire to make it easy for the men to conduct their campaign without any opposition.

One of the dangers resulting from the adoption of the eight-hour day in the department is the tendency and, indeed, incentive for the men to work at other lines of business in their time off, altho the city which pays them expects their full energy to be devoted to the work of the department. This was found to be true in Cleveland where some of the men in the department were engaged in other occupations and drawing salaries as if this was their only means of livelihood, in the meantime receiving their full salaries as members of the department.

Rule 54 of the Rules and Regulations of the Division of Fire states as follows -

> "It shall be the duty of every officer and member of the Division to devote his entire time to its services and is expressly prohibited from being employed or giving his attention to any other business."

One case that has been called to your investigator's attention is that of a member of the department who was seriously injured while working for

someone else in a private capacity. He was laid up for six months and for several months more was of little use in the department until he finally recovered. During all this time he received his full salary from the city, altho the injury was not sustained while he was in the city's service. This expenditure was authorized by the Director, in opposition to the instructions given and definite stand taken against it by the Chief of the Division. This case occurred about two years ago.

The people of Toledo are not particularly interested in finding sinecures for anyone. Employes in the city departments are entitled to fair pay for the service rendered and reasonably good working conditions. The citizens of Toledo are entitled to good service at the lowest cost consistent with proper efficiency, and should be protected by the administrative officials of the city from unreasonable and extravagant demands by any set of city employes, organized or unorganized. The working efficiency of the department has been decidedly increased at considerable cost to the community. It has been completely motorized at the expense of several score thousand dollars. At a very considerable expense a splendid system of high pressure mains has been laid in the business section, together with a very complete high pressure station equipped with modern pumping machinery, part of which expense was borne by the property benefited in the district, and part from the general fund: all of which has made the work of the department easier on the men employed in it.

In the past few years the total number of sprinkling systems in use in the larger buildings, especially factories and stores, has increased to 214, with standpipes in the larger buildings amounting to 71, all of which unquestionably contributed to the lessening of the fire hazards of the community. In addition to this, most of the buildings that have been erected in the business section in the last few years have been practically fire proof and many of the factories in the different factory districts of the community have been of the same construction.

Bearing all these facts in mind, therefore, the community had a right to expect that because of the increased safeguards against fire, installed at great cost both to the community and the individual citizen, the cost of operation of the fire fighting department of the city should not have increased in the alarming manner in which it has.

The city's growth in population does not account for it; neither does the increase in the value of the property in the community explain it. It is very evident that the cost of protection to life and property from fire in this community has not received the serious attention of the administrative officials of the City of Toledo that it should have, and one of the results today is that we are paying an enormous amount of money for extinguishing fires after they have started, when, by the exercise of good business judgment, we might have spent a good deal less in the prevention of fires and the education of the public on the cost of fires, and secured at least as satisfactory results as we do now. Fire Prevention work has been carried on by the department to a limited extent, but not in any well organized or scientific manner. It would not be difficult

to point out the advantages that would accrue from the installation of a department for the prevention of fire. One properly trained man could do more by fire prevention methods to save money for the community than five men could do in attempting to deal with a fire after it starts. The whole subject of fire prevention would be too long to deal with in this report, but this suggestion is made to the city authorities in the hope that more attention will be given to this important feature in efficient municipal government in the future.

From the study your investigator has made of the Fire Department, and because of the largely increasing cost of operation, it is strongly recommended and urged that immediate steps be taken to lay this matter of the adoption of the eight-hour day as applied to the Fire Department, again before the voters of the City of Toledo in a special election, prior to which all of the facts concerning the operation of the department, remuneration of the men, hours employed, days off, vacations, pensions, etc., should be clearly and definitely laid before the people of Toledo in order that they may be able to pass judgment intelligently on this question.

DIVISION OF POLICE

The estimated cost of the Police Division for the year 1921 is $675,842.50, which makes it rank next to the Fire Division in total expense.

The following figures show the increase in expense of the Police Division from 1910 to the present time -

1910	$194,889.50
1914	238,444.11
1918	357,029.94
1920	649,119.22
1921 (Est.)	675,842.50

These figures show that the expense of this department has increased 184% since 1914. The greater portion of this additional expense has been caused by an increase in the number of men in the department and the increase in salaries paid. The demand for an increase in the number of men in the department is undoubtedly due to a desire on the part of the general public for a greater measure of police protection and for the proper patrolling of the districts of the city that have not received the necessary amount of police supervision and patrol work.

The expense of maintaining a Police Division is a very necessary one in a city the size of Toledo, especially in view of the serious character of crimes of violence with which the department has had to cope in the last two or three years. The average city police department does not receive the support of the community in which it operates, as it should. There is entirely too much of a disrespect for the exercise of authority in the hands of the police officials of this community, as of many others. Its hand falls heavily on all classes in the community who are inclined to ignore or disobey its authority, and it has become almost a habit to rebel against and to consider irksome even the reasonable exercise of the police power.

It is a sad condition for a community to find itself in when it gets to the point where it has lost confidence in its Police Department. This lack of confidence, which is too often apparent in Toledo, as in all other large centers of population, is due to the inefficient and unbusinesslike handling of the affairs of the department, and also to the general lack of discipline and absence of a real desire to serve on the part of the men who are charged with the duty of protecting the life and property of the community. The attitude of the public is not entirely blameless in this respect, either. The citizens generally should be brought to realize the importance of making it easy for the department to function, by seeing that they have, themselves, and inducing others to have, a desire to assist in the preservation of law and order in the community, and thereby make the task of policing the city more easily handled and of greater value to the citizens.

We have somehow come to regard our Police Departments as being particularly susceptible to graft and plain dishonesty. This is probably true to at least a limited extent, of a great many public departments of this character.

By that your investigator means that there are in all bodies of men a certain percentage who are dishonest and weak enough to be corrupted, and the revelations concerning our Police Departments all over the land show this

to be one of the great dangers which the public must be safeguarded against. This prevailing condition indicates the extreme importance of maintaining the proper discipline among the men of the department. Let the men in the Police Division once come to the conclusion that their officials are lax and easy in the administration of the affairs of the department, and wink at infractions of the law, make exceptions or allow exceptions to be made in favor of someone with influence, or "pull", - treat some of the men as special "pets" and visit their displeasure on others unreasonably - and when any or all of these conditions exist, utter demoralization in the department is bound to come. Toledo, unfortunately, has suffered in this respect, as other cities have, and it will take a long time to get the department back into the proper condition to function as it should.

Since the present Director of Public Safety has taken hold of the affairs of the department, a very noticeable and marked change for the better has taken place. The men know that they will get fair and just treatment and that all promotions will be considered purely on merit; that there are now "no friends to reward or enemies to punish". Every effort is being made to bring the department up to the proper condition of morale so essential in a department of this kind. Discipline is being maintained and the rules of the department are being lived up to in an impartial manner. All this will undoubtedly mean bringing the department back into a better condition to serve the public and secure its confidence.

The public on the other hand must do its share. They must come to realize that the policeman can be a friend and a helper to everyone in the community. There must be more of a respect for law and authority and therefore a respect for the individual who represents that law and authority. The Police Department must be supported and encouraged - not sneered at, and made the subject of carping criticism.

Religious and partisan prejudice has undoubtedly helped in the past to undermine the morale of the force. The pension rolls of the city will show a number of men who are now working in other positions and drawing pensions from city funds ranging approximately from $60 to $80 per month. Many of the men on the pension roll are men who have put in long and strenuous years of service and are fully entitled to their well earned retirement. But there are others who could have been utilized to the advantage of the community and who probably would have been in the force today if a little common sense and the application of ordinary business judgment had been used. The pension roll provides a very easy way to depose a political enemy and thereby create a vacancy for a political friend. The fact that the public has to pay the pension charge seems too often to have been lost sight of.

New equipment just being installed by the department will unquestionably be of great assistance to the department in its work of dealing with the new crime condition. Its use will also obviate the necessity of putting on a very much larger force of men, and in this sense may be regarded as a real economy. The splendid flashlight system suggested for the department would also be of great advantage and strengthen the hands of this department very materially.

The records of crime in Toledo and other cities are or should be a subject of extreme anxiety to the officials in charge and the public generally.

While it is true that we have a heterogeneous mass of people to deal with in our communities, this fact should make us all the more anxious to use every effort for the proper assimilation of the foreigner who comes to us with only a crude knowledge of the English language, and a still cruder conception of American ideals and institutions.

Allthat educational effort can accomplish, together with a constant repressive attitude on the part of the department, should be brought about, to the end that this severe indictment against our civilization may be removed.

A similar recommendation is made relative to the operation of the Police Division pension fund as that already made in regard to the Firemen's pension fund, in raising the minimum of service before pensions can be secured, from the present service requirement of twenty-five years, to that of thirty years.

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DIVISION OF INSPECTION

The Division of Inspection consists of three sections devoted to the inspection of building construction of all kinds, inspection of plumbing, and the inspection of electrical installation.

The Division consists of a Commissioner, one Building Inspector, five Plumbing Inspectors, one Chief of the Electrical Section, and four Assistants. In addition, there is one Office Clerk, making a total of thirteen men in the Division.

The work done by this department is of extreme importance to the people of Toledo. When thoroly performed it safeguards the purchaser of a home in the city by looking after the proper installation of all plumbing connections, electrical installation, as well as the construction of the house, foundation, basement, drainage, etc. These matters are of vital interest to the citizens of Toledo, as it is impossible for them to always clearly ascertain the condition of the plumbing and electrical equipment installed, or the construction of the house itself, especially where it is very often covered up. It also has a very important influence on the general health of the community by the inspection of sanitary connections of all kinds.

An efficient operation of this department also tends to decrease the loss from fire in the city, as a large percentage of the fire loss of the nation today is caused by faulty electrical construction.

The department is self-sustaining, fees being required for all inspection service.

The total expense for the year 1920 was $33,885.24. The fees collected for the year 1920 amounted to $39,352.70.

The department also inspects the erection of signs and canopies, the

installation of gas tanks, grants permits for billboard erection, and inspects theaters.

Every reasonable power should be given the department in its control over the unscrupulous contractor who persistently defies the law which protects the rights of the general public. Every community has a few men of this kind who are so incompetent in their work, so deliberately careless, so utterly regardless of the rights of others, that they can only be dealt with by the stern hand of the law.

The present Building Code of the City of Toledo is very much out of date and steps should be taken to adopt such changes in the Code as would make it apply to present day practice. If this is done and the technical features of the Code modernized, it would put the department in position to render much more efficient public service.

It is evident, too, that a number of the fees charged do not begin to meet the cost of the particular service rendered.

The recommendation of the Chief Building Inspector with regard to the appointment of a Smoke Inspector would seem to be one that would result in benefit to the community. Toledo had a Smoke Inspector for a number of years and his work was just beginning to show results when the office was vacated and has never been filled since. If such an Inspector is provided it should be a man who has made a careful study of this question and whose work should be conducted along educational lines, securing the cooperation of those interested, and in this way proving of undoubted benefit to the whole community.

This work cannot be performed by policemen who have their own duties to perform and who are not by education or experience fitted for this work. The elimination of the smoke nuisance would even to a limited extent be of distinct service to the community in the advantages derived from a health standpoint as well as the saving effected in the reduction of losses incurred in the business section thru damage to goods and buildings which amounts to thousands of dollars annually.

In one store in the business district it is estimated that the loss occasioned by damage to the goods in the store from outside smoke nuisances is about $25,000 per year. This will give some idea of the cost to the community in allowing this nuisance to continue. A great deal of it is avoidable and every effort should be made in reducing, as far as possible, this menace to health and comfort as well as to property.

The records of the department are kept in a very crude fashion and give very meagre information. The suggestion is made that the Commissioner of Accounts under the Director of Finance establish a proper system for the keeping of the records of this department, which would show in detail the character of inspection made in each case and the number and extent of inspections made by each inspector. It is also urged that the Chief Building Inspector be given complete control over all inspectors and the work performed by them in this Division, inorder that the proper responsibility may be fixed and the authority for the acts of the Division or its agents be centralized.

DEPARTMENT OF PUBLIC SERVICE

DIVISION OF STREETS

The Division of Streets has charge of street cleaning and sprinkling, street repair, alley cleaning, garbage collection and supervision of disposal of garbage, street oiling, sewer, ditch, and drain maintenance and repair, and sidewalk repair.

Street cleaning in Toledo is now being done on the assessment basis, bonds being issued for the purpose of raising funds to carry on this work, and property being assessed at varying prices per foot front for the cost of this service.

This cost amounted in 1920 to $341,456.76.

The following figures show the comparison of costs from 1910 for street cleaning -

1910	$ 44,963.54
1916	81,902.02
1918	166,627.82
1919	246,277.20
1920	341,456.76

These figures show an increase for 1920 over 1910 of 660% for this one sub-division.

The plan of assessment for meeting the expense of this service was adopted largely to raise more funds for meeting the ordinary operating expense of the community, and is virtually an additional tax to that already imposed by the County Auditor semi-annually.

The cost of street repairs is now met by money raised from bond issues. In past years this cost was paid from general taxation, but to secure sufficient revenue to meet the expenditures in all departments bonds are issued to provide for this expense, and the payment for these extended over a term of years. This, of course, is only giving temporary relief. The bonds have to be paid for at maturity, and in the meantime large interest charges have to be provided for annually.

Under this plan initiated in 1917 our street repairs are costing the citizens much more than they would if the cost was met immediately from current taxation and the plan can only be condoned as a temporary measure of relief.

The following figures show the largely increased cost since 1910 -

1910	$ 72,005.13
1917	70,088.40
1918	96,781.92
1919	299,099.92
1920	360,986.78

The large increase in 1920 was partly due to the cloudburst last year in which a great deal of the wood block pavement was seriously damaged and had to be immediately replaced.

Basing our comparison, therefore, because of the unusual condition existent in 1920, between the years 1910 and 1919, we find an increase in the expense of this sub-division of 315% during that period.

There has been received from the State Automobile Tax, the sum of $125,000, as the city's share, which is applied to meeting this expense. The Director of Finance believes that this is only a part of the amount due Toledo from the State Automobile Fund for the year 1920, balance being estimated at $10,000.

An investigation of the Division of Streets indicates clearly that it is not functioning as it should. There has been too much interference from the Mayor's office in the operation of the department. There are numerous instances of this which are or ought to be well known, not only to the officials in the department but to the Mayor and his Secretary.

To speak plainly about this matter, the "Spoils" System is still in effect in the administration of affairs in the city government of Toledo, and it is safe to say that much of the inefficiency and lack of care and economy in the handling of public funds in this community is directly chargeable to this condition.

The Division of Streets is overloaded with useless employes, some of whom do not earn one-fourth of what they are paid, and who in fact are very often not to be found when searched for.

The department should not be considered as a home for incapables or the incurably lazy. It is one of the most important departments of the city government. It constantly comes in contact with the general public in all its work and is therefore much more frequently the subject of criticism on the part of the individual citizen who sees the inefficient and wasteful manner in which the funds of the community are being expended thru this department.

The Superintendent of the department is a man with long years of experience and training for this work, and your investigator is of the opinion that for sometime past he has not been supported as he should have been. One can readily understand how the system works. Someone who has influence, or a "pull", has secured the endorsement by letter from the Mayor's office for a position in the street department. He is appointed without any regard to the wishes of the man in charge of the department, and frequently without the slightest investigation as to his qualifications for the position. He is found, after test of some days or weeks, to be utterly unfit and is fired. He immediately goes to the Mayor's office and makes indignant protest. The Superintendent or his assistant is called up and ordered to place the man on again. Of course, the Superintendent can protest, but too often he knows what this means. This will be looked upon as treason and an attempt to defy the authority of the Mayor's office.

So the man is allowed to stay. His presence contaminates the rest of the force; the fact that he has been pushed over the heads of the men in charge of the department and responsible for its operation destroys initiative in these men, discourages and disheartens them, and is responsible without question for the lack of economy in the expenditures of the department and the general inefficiency and unbusinesslike manner in which it is conducted.

The men at the head of the department, and in fact the rank and file of the department, are not to blame. The fault lies with the management, with those responsible for the conditions to which your investigator is calling attention. We may search for leaks in the departments of the city government; we may find a lack of care and a lack of interest in the work of the different departments; we may even find slight defalcations in those departments where the money of the public is being handled; we may find considerable waste in many of the departments; but in the final analysis the main cause of trouble in this city government, as in every other city government in the United States, is in the introduction, more or less, of the "Spoils" System, to which your investigator has referred.

It must not be inferred that this reference made would indicate that Toledo is worse than any other city in this respect. On the contrary, your investigator would feel safe in making the statement that Toledo is probably better off than most cities in the prevalence of this condition, and that there is probably less of the "Spoils" System in effect in Toledo than most cities of its size in the United States.

But we are now dealing with the local condition. We are attempting to arrive at a cause for the large expenditures of public funds in Toledo, and for the lack of efficiency in the operationof the different departments of the city government, and we must face the facts as they present themselves to us.

To a lesser extent, this condition to which attention has been called affects some of the other departments in the city. It is particularly noticeable in the Street Division, because of the fact that most of the men are not on the Civil Service classified list. Your investigator questions very much whether any adequate improvement could be secured by any change that would place more of the men in the Street Division in the classified service. The sensible and businesslike action to take in this department, as in any other of a similar character, would be to place the burden of responsibility on the man at the head of the department, for its proper operation, and the businesslike handling of its affairs. He should be given distinctly to understand thatif he makes good he will be retained and supported, and that if he fails to make good after a reasonable time he shall be removed and a suitably qualified person take his place, and it should be made clear that such order will be strictly enforced and is not issued merely for news readers' consumption.

It is unreasonable and unjust to tie an official's hands in an office of responsibility and authority and then cast the entire blame on him when things go wrong and when the department over which he has charge becomes the subject of criticism.

Your investigator has no hesitation whatever in making the statement that from $75,000 to $80,000 could be saved annually by the adoption of common sense and businesslike methods in the operation of this department. The advice and experience of the men in the department who are in position to know should be secured and a thoro reorganization of the department brought about.

The attention of the administrative officials has been called to this condition before and suggestions have been made by the Superintendent, clearly

indicating the possibility of saving by a reduction of unnecessary employes in the department, which would have saved a good many thousands of dollars annually, and no attempt has been made to carry out the suggestions. Men in the department lay off without making a report to the foreman or Superintendent. Discipline in the department is at a low ebb, and because of these conditions there is a natural decrease in efficiency and an utter disregard of the first principles of economy in the expenditures of the department.

There are splendid men in the Street Division of the City of Toledo - just as good men as can be found in any private business concern in the city. These men should be encouraged and supported - the spirit of initiative and desire to serve should be fostered and built up. It is not so much a question of getting rid of employes as it is a question of getting the very best service out of them and making the best use of them. There are an unnecessarily large number of clerks in the office. One man puts in, at actual work in the office, an average of two hours daily. The balance of the time he attends to his private affairs, practicing law, etc. There is just about work enough for half of the present number of clerks.

The Timekeeper, who ought to be going around constantly checking up the number of men and their hours of employment on the different work being done by this department all over the city, is unable to do so because of the lack of facilities for getting around, his motorcycle being in no condition to use. The result is, his time is spent in the office. Requests have been made for a new machine, which should be furnished this official if he is to be expected to carry on his work efficiently.

A number of men are employed at cleaning wagons, by scraping them, and fooling time away by patching and cleaning old equipment of various kinds. Money could clearly be saved by junking some, at least, of this old scrap and buying new equipment and cutting out the waste of money now expended in making work for some men.

Almost invariably most of the men on the payroll of the Street Division sell their time checks to parties whomake a business of buying them, charging 25¢ per man for this service. This ought not to be allowed to continue. It is an evil that has existed for a number of years. The city should find some means for paying these men directly in cash.

The total annual cost of operating the Division of Streets has increased enormously during the past ten years, as shown by the following figures -

1910	$174,766.65
1918	389,727.96
1919	647,377.95
1920	867,461.71

These figures show an increase of 396% in the cost of this division during this ten year period.

Nothing this department has done, in either added service, extra cost of materials, or even increase in salaries and wages, can explain this unreasonable increase in cost. No additional service is being rendered and no additional

territory served, that would begin to account for this large expenditure. The department is evidently not being operated with any idea of economy, or desire to secure adequate service for the dollar expended. The money comes easily thru the sale of bonds, and it goes just as easily.

The attention of the city authorities is called to the automatic street cleaning machines now used in other cities, and which are giving good service. These machines complete the operation of sprinkling, sweeping, and picking up the refuse, and are fitted with a gutter cleaning attachment, avoiding the present inefficient method of leaving the refuse in piles, to be blown away or into the houses, or swept into catch-basins, to be removed later at considerable cost.

These machines are motordriven, and have a cleaning capacity ranging from 16,000 square yards per hour, when driven at a speed of four miles per hour, to 32,000 square yards per hour when operating at a speed of eight miles per hour.

Much time is lost (from 10% to 20%) by the men working in different parts of the city being taken there from the central barns in horse-drawn vehicles. Sub-stations should be provided in different sections and the men should report there or on the job, and save the present waste caused by going out and returning on the city's time.

Conditions to which attention is being called are the result of years of careless handling, and apply to the history of the past seven years and to other executives and their subordinates.

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DIVISION OF WATER

The report of the Division of Water, commonly known as the Water Department, for the year 1920, shows the grand total of receipts for the year to be $1,994,176.78, as compared with $2,078,864.34 for the year 1919. The receipts for 1920 include a balance on January 1, 1920, from the previous year, of $3,810.22; also receipts from bond sales of $919,841.93. The receipts from sale of water were $873,561.40 for 1920, as compared with $690,276.42 for 1919. Meters sold show an increase of $9000 over 1919.

The total disbursements for 1920 amounted to $1,758,915.48. During the year 1919 one item of receipts was that of interest on daily balances received from the banks in Toledo, carrying the cash deposits of the Division of Water, which amounted to $3,794.37. The report for 1920 discloses that nothing has been received from this source, in spite of the fact that large amounts have been held by the banks which should have been credited to this Division. The fact is, that this money has been diverted to the use of other departments where deficiencies have occurred in operating revenues, and as a consequence the Division of Water has lost the amount of interest it would have received and which properly is a credit to this particular municipal operation.

The Division of Water is a public utility, operated and owned by the City of Toledo, and as such its finances should be kept on an entirely separate basis from that of any other city department. The state law governing the operation of public utilities, municipally owned and controlled, clearly specifies this, and provides that "money so deposited (with the Treasurer) shall be kept as a separate and distinct fund".

Section 164 of the Toledo Charter provides for a complete separation of the accounting systems of all municipal public utilities from each other or from other city accounts. It also provides that service furnished to other departments shall be reimbursed for in the same manner as if such utility were privately owned or operated. The loaning of funds of a municipal public utility to other departments is distinctly a service rendered for which the particular utility should receive tangible credit and return. The funds in this Division are not contributed to by the tax payers of Toledo, as tax payers. They are contributed by the citizens of Toledo who deal with the Division for the particular service rendered. Any financial juggling, therefore, which in any way reduces the receipts of the Division or adds an additional expense to the operation of the Division, is naturally reflected in higher rates to the consumers of water in Toledo.

The affairs of the Division should be conducted as a separate and distinct business undertaking of the community. Neither good accounting nor the exercise of good business judgment would countenance the use of Water Division funds for any other purposes than that for which under the law they can be collected. Applying this practice, for instance, to the affairs of the Street Railway Company (provided the city owned and operated the transportation facilities of the community), what would be thought of taking the surplus funds of the municipally owned street car company and using them for the purpose of the Street Division, or to provide for deficiencies in the Fire Division operating fund, thereby reducing the receipts of the municipally owned street car utility by the amount of interest that might have been received if the surplus funds had been left in the bank. The practice of borrowing money from the Division of Water for the temporary use of other city departments should not be further indulged in by the city government. If any temporary loans are made from the Division of Water, in case of extreme emergency, for the use of some department whose funds have been exhausted, the loan should be made only on the same basis as it would be made from any financial institution in the city, due credit being given to the Division that had earned this surplus and the proper interest charges paid.

The Division of Water in the City of Toledo is a self-sustaining institution, and while it has made a good showing, furnishing water at reasonable cost to the consumers of Toledo; building up a splendid plant and equipment; making the necessary extensions each year; meeting the proper charges for the redemption of bonds and interest payments when due: all out of the earnings of the Division, the result could have been much improved if the Division had received the full credit for all the services it has rendered thru the furnishing of free water for public school and fire department purposes and in many other ways.

It must be clearly understood that the Division of Water in the City of Toledo receives no revenue whatever from taxation, and is dependent entirely upon its earnings for the necessary revenue for operating purposes, and all charges for the maintenance and development of this business undertaking of

the community. The total charges for maintenance and operation for the year 1920 amounted to $671,172.44, as compared with $487,001.86 for 1919. This difference is accounted for by the increase in salaries and wages allowed during 1920 and the increased cost of coal due to the actual increase per ton at the mines, and for a part of the year the considerably increased freight rate, in addition to which the heating value of the coal has depreciated. This depreciation is indicated by the comparison showing the number of gallons pumped per pound of coal used in 1919 and 1920, the figures given being 615 gallons per pound for 1919 and 529 gallons per pound for 1920.

The increased cost of maintenance and operation during the past year is reflected in an increase of 33% in production cost per million gallons delivered, as compared with 1919, the actual increase being the difference between $54.01 per million gallons delivered for 1919 as compared with $72.70 for the same amount for 1920. Free water has been furnished by the Division to the other departments of the city for Fire Division purposes, in parks and comfort stations, free drinking fountains and swimming pools, etc., to the extent of 199,000,000 gallons. The use of the city water for flushing sewers from automatic flush tanks has been abandoned. These flush tanks were necessary at one period in the city's progress, but due to the large increase in the use of water for domestic purposes it was considered unnecessary to artificially flush these sewers, the natural flow of sewage in the sewers being sufficiently diluted to carry the sewage along to the outlet.

During the last four years the Division of Water has been charged with the total expense of operating the high pressure pumping stationsituated at the junction of Water Street and Cherry Street Bridge. The expense for the four years during which this station has been operated totals $88,000. The charges for 1919 for this service amounted to $23,882.97, and for 1920 $26,187.52.

This charge against the Division of Water is for the city service rendered by this particular station which the Division is not properly called upon to furnish and which is separate and distinct from the ordinary operations of the Division. The city administration simply took the easiest way to finance the operation of this high pressure station when the funds for the purpose did not seem to be available from any other source. The Division of Water had surplus funds and seemed to be the easiest source to which the administration could turn for the necessary funds for operation and maintenance purposes.

So the load is placed on the Division of Water and the consumers of water all over the City of Toledo have to contribute to the cost of operation of this high pressure station, instead of this being made a charge against the Fire Division, just as the cost of chemicals used in the fire extinguishing chemical engines of the Division of Fire is charged. The operation of the high pressure service is just as distinct and separate from the operation of the Division of Water as that of any other Division of the city's activities. The water furnished in the high pressure mains in the downtown business district is the raw water taken direct from the river at the station alongside the Cherry Street Bridge. It has no connection whatever with the filtered water furnished in the ordinary water mains of the city.

There seems to be no excuse or defense for this action except the fact that the Division of Water had the money and it was difficult to find it elsewhere.

The Division of Water operates the city garage and takes charge of the repairs and general upkeep of the automobiles and trucks in the city service, except those in the Police & Fire Divisions. Charges are made against the other departments for services rendered and materials furnished. The total cost of operation and maintenance of this particular sub-division for the year 1920 was $57,568.10. The receipts amounted to $13,303.96, leaving a balance of $44,264.14, to be charged to the Division of Water. This constitutes a very large item of expense, much larger than should be necessary or desirable. The balance of expense over income for the four years prior to 1920 is as follows -

1916		$18,851.74
1917		19,397.95
1918		27,418.28
1919		35,134.57
	Total -	$100,802.54
1920		44,264.14
		$145,066.68

Including the balance of expense chargeable to the Division of Water for 1920, this makes a total for the last five years, of $145,066.68, operation and maintenance charges for this sub-division. This does not include the labor cost of chauffeurs, the only labor item included in this expense being that covering the mechanics and others in the city garage engaged in repair work and the general upkeep of the motor driven vehicles that are kept there.

The figures show a very marked increase per year, both in the total cost of operation for the municipal garage and the net balance borne by the Water Division.

The following figures show the earnings of this particular sub-division since 1915 -

1915	$4772.54
1916	5715.99
1917	8081.17
1918	8099.08
1919	8672.92
1920	13303.96
	$48645.66

The comparison of the last four years, during which time the city bought a large number of motor driven vehicles, is rather enlightening. The total expense of the city garage during these four years amounted to $164,372.07. During the same period the city purchased motor driven vehicles costing $144,673. The figures indicate that during this past four year period it cost the City of Toledo $20,000 more to operate and maintain their motor driven vehicles than it cost themduring the same period to buy the equipment new.

As stated before, the cost of operation and maintenance of the municipal garage does not include any repairs to equipment of the Division of Fire, or for Police Division purposes. This very large and rapidly growing item of expenditure should receive the immediate attention of the administrative official in charge of this Division.

The total cost to all the Divisions receiving the service, as well as the net cost to the Division of Water, is excessive and out of proportion to the number of machines in operation, or to their total value, even when figured as new equipment. The city garage should be operated entirely separate from the Division of Water, with which it has no justifiable connection.

The subject of a central city garage has been discussed for sometime, but up to a short time ago no definite action has been taken.

There seems to be a prevalent impression that because the Division of Water is a self-sustaining institution, a certain laxness may be justifiably permitted in its expenditures. This idea cannot be too strongly decried. Carefulness and economy in the handling of the funds entrusted to their care are just as necessary in the affairs of the Division of Water, even tho their finances are in flourishing condition, as they are in regard to any other department in the city. The Division of Water is now in charge of a capable Commissioner, fully competent to administer all the affairs of the Division in a manner satisfactory to the general public. He should be given every encouragement in his endeavor to provide service-at-cost in the work of this public utility, in which the public served can have complete confidence and satisfaction. The services rendered by this Division are of vital importance to the community and every effort should be made to furnish them at as reasonable a cost as possible. To secure this result the department should be operated on sound business principles. Nothing has so prevailed as an argument against the further extension of the principle of municipal ownership, as the fact that many of the functions undertaken by the city governments are carried on too often in a loose, haphazard, and unbusinesslike manner. The primary purpose of a public utility such as the Water Division is that it may render efficient service to the public at as low a cost as possible, keeping in mind the quality of the service rendered and the readiness of its performance when called upon. It is not a business undertaking by the community for the purpose of profit, and all surplus earnings of the department above the proper charges for operation and maintenance and providing the necessary amounts for the reasonable extension and modernizing of the service rendered should be utilized as far as possible in reducing the cost of that service to the customers of this particular utility.

DEPARTMENT OF FINANCE

During the past few years the Director of Finance in this city has had many perplexing problems to solve. The restrictive limitations imposed by state law, together with the extravagance of some of the departments, and the reckless expenditures allowed by the City Council, have made the task of financing the operations of the city government of Toledo a very serious and difficult one.

During the past year Council passed legislation providing for the expenditure of large sums of money, notwithstanding statements repeatedly made by the Finance Director that no money to meet these expenditures was on hand, and that their action would result in increasing the already growing deficit. When the deficiency bond issue was presented to Council in February of this year, providing for the issue of bonds in the sum of $1,083,000, many of the members of the committee professed astonishment at the large deficit reported by the Director of Finance, in spite of the fact that they had been warned several times during the year that this would be the result.

The present Director of Finance is a competent accountant and the financial accounting system of the city has been much improved under his management. He has continually called the attention of the administrative heads of the city government, as well as that of the Chief Executive and the City Council, to the financial condition of the city, whenever expenditures were suggested which would naturally result in a deficit. When expenditures have been authorized, however, there is nothing else for the Director of Finance to do but to find means for raising the money to meet the expenditures.

Attention is again called to the importance of carrying out strictly the budget provisions of the charter, the preparation of which is in the hands of the Director of Finance. Up to this year the preparation of the budget might just as well have never been made as the end of each year showed clearly that the estimates named in the budget for the different departments as their expenditures for the coming year had been exceeded constantly. There seems to have been no sincere desire on the part of the administration to live within the limit of its means.

The real truth is that consistently during the year the departments exceed the appropriations laid down for them, make no attempt to apportion the expenditures on a monthly basis, and along toward the end of the year find out that the amounts set aside for their departments are exceeded and they are then forced to come into the City Council and askfor relief thru a special appropriation.

Such a policy is indefensible and inexcusable, and it would seem to your investigator that the Chief Executive should have spoken out more strongly, and taken a more decided stand against the prevalence of this pernicious practice.

The budget is a detailed plan of the expenditures for the ensuing year, supposed to be arrived at after careful thought and consideration, and based on prospective income, past expenditures, and future needs. It ought to be possible, therefore, to follow this plan in the expenditures of the year for each department very closely and only deviate from the course laid down, on strictly emergency needs. The city administration knew what the restrictions of the state law provided for. They knew that the tax duplicate values in the city

were practically as high as those of any other locality in the state. The raising of special revenues by means of assessments for one purpose or another - fees, licenses, etc., means nothing but the imposition of a special tax and should be resorted to only in case of extreme urgency. The people of the community, already overburdened with taxesof all kinds, could only be relieved by the exercise of the greatest care in the expenditure of the moneys received from taxation and the insistence by the administration of a greater degree of efficiency in the rendering of that public service for which the tax payers contributed.

The most ardent supporter of the present methods in force could hardly claim that this has been done. Another question involved, to which your investigator must call attention, and which has an intimate connection with the question of the cost of government to the individual citizen, is the deliberate attempt made in almost three-fourths of the counties of the state to resist any plan for the reappraisal of the lands in those particular counties for taxation purposes.

The cities of the state, with their increasing demands for expenditures of all kinds, coupled with the necessity for providing increased facilities for the care and comfort of the people of the more populous sections of the state, as they grow and expand rapidly, have almost reached the limit to which they can go in appraising real estate values in the large centers for taxation purposes. Many of these rural counties in the state have been able to resist any reappraisal for a number of years. The excuse given now is that the farmer is facing a period of very low prices for farm products, and as a consequence it is claimed farm land values have decreased and land values are as high now as they should be.

To speak plainly, the farmer wishes to forget and have everyone else forget, the years of prosperity and high prices that have been maintained for sometime past. He is unwilling to accept the loss consequent on this readjustment period which the merchants and manufacturers inthe cities have had to face,and in most cases have accepted with good grace.

The general result of the opposition on the part of the rural counties of the state toward the reappraisal ordered by the State Tax Commission, is that the tax payers of the larger centers of population of the state are paying twice as much as their proper share toward state expense. One item alone which may be mentioned here is the support given by this community to state educational purposes, which for this year will amount to over $200,000, a burden carried by the tax payers of Lucas County which it would be entirely unnecessary to impose upon them if it had not been for the complete refusal on the part of the rural counties to assume their proper share of the tax burden. The present system is a rank injustice and there seems to be no relief, either from the state legislature or from the administration officials or the Chief Executive of the state.

This condition thruout the state results in the people of the cities paying a very much larger proportion per capita toward the expenditures of the state departments than the people in the rural counties. This condition is now so apparent and so manifestly unjust that suggestions have already been made toward a lowering of taxable values in the larger communities, until such time

when some steps can be taken to bring all real estate values in the state to a point where taxation, when imposed, shall be fairly and equitably borne. While large increases have been made in the duplicate values in Toledo, these values are not yet arrived at on a 100% basis. If any attempt is made now to reduce the duplicate value it would result in a considerable decrease in operating revenue which would very seriously hamper Toledo in operating the ordinary departments of the city government , and provide no means of taking care of the increased operating expenditure due to developments and extensions of service.

This question has become a very serious one for the large cities of the state, and as no relief seems in sight at present, Toledo, as well as the other large centers of population, will have to exercise the utmost degree of care and economy in its expenditures.

On State Examiner's Report, page 73, it was indicated that there is an amount due the city by the Ohio State Telephone Company, of $3820.50, for payment of pole fees due the city under their contract. This sum, of course, is being added to from time to time as new poles are being erected, the provision being that the company pay 50¢ per pole when erected, a record of the installation of these poles being kept by the Superintendent of the Fire Alarm and Telegraph System. This bill has been referred to the Director of Law for collection, but up to the present no action has been taken. Payment of this bill with the proper charges added for interest on delayed payments should be insisted upon by the Law Department. Further delay is without excuse, as this franchise was granted to and accepted by the company in 1901, and payment of the fees is long overdue.

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STATE INSPECTION OF MUNICIPAL AFFAIRS

Every year a thoro inspection of the accounts of the city and a complete checking of every department of the city government is made by one of the state examiners representing the Bureau of Inspection and Supervision of Public Offices attached to the Department of Auditor of State.

All financial transactions of the city are thoroly audited and all errors in accounting clearly pointed out. These examiners are, because of their experience and knowledge of the requirements of state law, peculiarly fitted to make recommendations and suggestions that are of value. Their reports unfortunately do not receive the attention by the city officials that theymerit. It is very questionable, in fact, whether most of the administrative officials ever see the report, or if they do, whether they ever read it thoroly.

The last report submitted, covering a period between June 1917 and October 1918, is full of valuable recommendations, which at least ought to receive the careful consideration of the officials at the head of the various city departments. The expense of this examination is borne entirely by the city, and while it is true that this supervision is one exercised by the state on its own authority, any one can readily see the necessity for it and the possible benefits that can be derived from a study of the reports made.

These examiners are constantly engaged in this work all over the state, and because of the varied knowledge gained in these different communities, are in a position to tender advice that may be of considerable value.

Your investigator would strongly recommend that more attention be paid to the work of these examiners and that their reports be given the serious consideration their value merits.

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DIVISION OF PURCHASES & SUPPLIES

The Division of Purchases and Supplies in 1919 made purchases valued at $536,243, on 8258 requisitions and 8654 vouchers. In 1920 the Purchasing Department made purchases totalling $761,963, on 8013 requisitions and 8013 vouchers. This division cannot give such satisfactory service as it could until a storeroom is provided and operated as a part of this activity. This division with storeroom in operation should have authority to supervise use of equipment and material of all kinds, as to use and abuse and report findings to head of department. With a storeroom in operation, this division could purchase at the proper time to take advantage of market conditions, and could at all times purchase in larger quantities for future needs of all departments at a saving, as compared with the present methods where goods are bought in small quantities and necessarily higher prices are paid.

A great many articles in constant use by all the departments now have to be purchased in small quantities because of lack of storage facilities. While some standardization of supplies used in different departments has been secured, the real benefit from standardization can only be arrived at when this division is properly organized, as intended under the provisions of the charter bythe addition of a Stores Division.

The City Purchasing Agent has made requests several times to have storeroom provided, both to the Mayor and Finance Director, and while the Finance Director is in favor of it the Mayor so far has not given instructions to have a storeroom division organized.

Recently some suggestion has been made for the addition of storeroom facilities to the Purchasing Division, the storeroom to be located in the building owned by the city at the corner of Madison and Water Streets. This would be of great advantage to the Purchasing Division and the means of saving money in purchasing as well as enabling the Purchasing Agent of the city to properly supervise the quantity and use of material furnished to the different divisions.

Departments often do not anticipate purchases far enough ahead of their actual needs. Consequently, when requisitions are rushed thru to meet an urgent demand, goods have to be purchased on emergency order. This does not allow sufficient time to secure bids or to handle the purchase in a businesslike and thoro manner.

From April 1917 to the end of December 1920 the city purchased $144,673 worth of motor driven vehicles, automobiles and trucks, of which $19,050 was for Fire Division equipment. This was an average of $38,580 annually. During the same period the city sold old cars to the value of $10,782.

During the year 1920 motor driven vehicles were purchased amounting to over $53,000, or an average of slightly over $1000 per week.

It has been the practice on the part of the Purchasing Agent when possible to have an old car on hand when purchasing new ones, in order that the most satisfactory trade may be secured. On August 31, 1920, bids were received for a five passenger touring car for use at the cemetery. This car is supposed to be used for the purpose of taking people around the cemetery to view lots as prospective purchasers. Several bids for five passenger cars were received, the contract finally being awarded for car costing $1940.

Another car of a satisfactory make, on which bids were received, could have been furnished for the sum of $1250. This latter car would have been entirely satisfactory for the purpose for which the higher priced car was bought, and in addition the agent bidding on the lower priced car agreed to take the old car formerly used by the Cemetery Division in exchange at a higher figure than the party offered who secured the bid at the higher price.

This is given simply as an illustration to show the necessity for a thoro knowledge on the part of the Purchasing Agent of the use to which materials or equipment purchased from time to time is being made.

In a case like this it may have been that the head of the department for whom the purchase was being made had some personal preference in the matter, or because of an interest in the agent selling the car, or that the car because of its higher cost and probably slightly better appearance particularly appealed to him. This indicates the importance of the Purchasing Agent waiving aside every consideration but the main one of securing the best possible equipment for the purpose for which it is to be used, and at the lowest possible price consistent with quality and durability.

Your investigator strongly urges the importance of providing a storeroom to be operated as part of this Division.

DEPARTMENT OF PUBLIC WELFARE

The Department of Public Welfare undertakes some of the duties formerly in charge of the Health Board, and some of those formerly attached to the Departments of Public Service and Public Safety. These duties have to do with the care of the Public Health, Sanitation, Inspection of Food, and conditions under which food is handled and sold, relief of the poor, recreation facilities, playgrounds, parks and boulevards, hospital services, supervision of municipal cemetery, and correctional and protectional institutions. It is a most important department of the city's activities and becomes increasingly important as the city grows and develops and the population becomes more congested.

The estimated expense of the Department of Public Welfare for 1921 is $369,995. This includes the appropriation for the Cemetery Division of $55,710, which is a self-supporting institution. The expense of the Cemetery sub-division has increased very materially during the past ten years, as indicated by the following figures -

1910	$14,962.10
1916	23,375.20
1918	32,893.15
1919	37,300.62
1920	54,696.24
1921 (Est.)	55,710.00

This is an increase over 1910 of 272%.

Attention is again called to the importance of care in the expenditure of funds in self-supporting divisions, the inclination too often being toward laxity of expenditure in divisions like this, because of the fact that they are self-supporting.

The following figures show increase in the total expense of this Department during the last five years -

1916	$136,384.76
1918	177,935.23
1920	318,620.47

The above figures do not include the expense of the Cemetery Division.

These figures indicate an increase in the expenditures of this Department, outside of the expense of the Cemetery Division, of 133%.

* * * * *

FOOD INSPECTION

The staff in this Division consists of one Chief Inspector, five meat and food inspectors, three dairy inspectors, one bakeshop inspector, one restaurant and hotel inspector, and one milk inspector; also one office assistant.

The department is furnished with five automobiles which are in constant use, as three dairy inspectors have to make long trips into the country continually for the purpose of inspecting dairies which furnish milk to the inhabitants of Toledo.

The daily records of the inspector's work indicate that there are large quantities of food stuffs destroyed from time to time because of their unfit condition for human consumption. A scrutiny of these records indicates clearly the vital importance of this work to the welfare of the public. The inspectors not only have supervision over the food handled, but also over those persons handling food in restaurants, hotels, etc., and in fact any place where food is handled, such as groceries and candy stores.

The public is also protected by this department in the work done by destroying filthy and unsanitary utensils or cups that may be used for serving the public in restaurants and places of that character.

The expense of the department has increased very materially during the past ten years, as is indicated by the following figures -

Total expense, year 1910	$ 3,856.16
" " " 1916	10,858.00
" " " 1921 (Est.)	20,950.00

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DIVISION OF HEALTH

The Health Commissioner is in charge of all the affairs of the Welfare Department, relating to public health and sanitation, including the isolation hospital and the municipal hospital. This work covers activities expending $130,000 annually. The Health Commissioner is paid annually a comparatively small salary and is not expected to give all his time to the work. The salary paid at present is $2100 per year. The importance of the work and the large sums now being spent annually (supposedly under the direct supervision of the Health Commissioner) would certainly warrant the employment of a Commissioner who would give all of his time to this work and to a close and personal supervision of the many employes in this particular division of the Welfare Department. It is difficult to determine how much time the Health Commissioner gives to this work. His private office is fortunately located in the same building with most of the other city offices, and this affords an opportunity for those in charge of the sub-divisions to get in touch with him as occasion may require.

Some of the Health Commissioners in the past have devoted a certain part of the morning and afternoon to the direct supervision of the different activities under their charge. Others have only given a small portion of their time, the actual amount of attention given to the detailed work of these activities depending on the press of work, epidemic conditions, etc., and the conscience of the Health Commissioner.

The arrangement is not a satisfactory one, either for the official in charge or for the community generally. What is needed in this particular work is

a public health expert - one who has made a special study of public health matters and has specialized in those subjects which so intimately and vitally affect the health and physical wellbeing of the community.

The department should at once be placed in charge of an official of this kind. The amount of money spent and the multitudinous details of the work clearly warrant - if not demand - the constant contact and supervision of a trained expert whose attention and energy would not be given first to his private affairs, leaving only a small portion of his time and thought to the public and community interests, but strictly and solely to the efficient and economical operation of the activities of the city government directly in his charge.

It is not difficult to conceive of a man of this type being able to save the difference between what the Health Commissioner receives now and what a full-time public health official would expect to be paid, to say nothing about the more efficient service rendered to the community as a result.

The general work of the Health Division of the Welfare Department is largely curative and not preventive. We isolate in a special hospital people who acquire contagious diseases, we quarantine those who have come into contact with others afflicted with diseases of this character at the expense to those quarantined of considerable loss of time and often money and much annoyance and friction, as well as the expense to the community.

An efficient Health Division should operate along distinctly educational and preventive lines. The work should be of a more fundamental nature, seeking the cause of this menace to the community and undertaking the proper measures to remove and eradicate it.

Recent health statistics show that respiratory diseases cause 18% of the total mortality from diseases of all kinds; tuberculosis of all forms, 14.3%; tuberculosis of the lungs, 13.3%; cancer in all forms, 8%; heart disease, 11%; Bright's Disease, 7%.

The diseases named above furnish the cause for death in almost three-fourths of the cases noted. Little has been done by the Health Department of this community to cope with these dangers to the health of the citizens, and all the attention of the department is given to the cure - and thru its quarantine restrictions and isolation hospital, the prevention, of those communicable diseases which are responsible for a comparatively small part of the total death rate.

The real value of a Health Department to any community cannot be thoroly secured unless the department is adequately organized and properly supervised. This can only be done by the constant devotion and enthusiasm of a Public Health Official, who realizes the fundamental value of such work to the community and whose thought and attention is not diverted to other pursuits.

The expense of the Division of Health has increased very seriously during the last ten years, as is indicated by the following figures -

1910	$ 24,179.29
1916	52,113.36
1917	42,233.77
1919	100,002.44
1920	118,465.31
1921 (Est.)	129,770.00

This shows an increase in the expense for 1921 as compared with that of 1910, of 436%.

MUNICIPAL COURT

A detailed report of the work of the Municipal Court has recently been published by the Commission of Publicity and Efficiency, which covers the activities of the Court for the last three years.

The important feature of the work of the Court is the abolition of the old Justice of the Peace Courts, which had been for many years a farce in the manner of administering justice in this district. The whole tendency in the operation of the present Municipal Court has been undoubtedly in the direction of better government, and as a result more wholesome respect for law and the courts.

Much remains to be done. Some criticism is made of the Court because of the delays occasioned by red tape, and the rather ponderous manner of conducting the affairs of the Court. Dignity is essential in connection with all Court procedure, but it can be overdone.

The Conciliation Department has accomplished beneficial results, and it is recommended that the principle in operation here be extended to deal with some of the cases that now come before the Court proper. A change in the State Law will probably be necessary to bring this about.

The criticism in the report made by the Commission of Publicity and Efficiency on the inefficient manner in which bail bonds were received and handled is fully justified. More than once this condition has been clearly pointed out to the people of Toledo.

There has surrounded this whole question in connection with the administration of justice in the police branch of the Municipal Court, such an atmosphere of mystery and secrecy, that there has developed a decided suspicion in the minds of a large number of our citizens that there was a good deal of room for improvement in the administration of affairs in the Clerk's office. The records were kept in a very unsatisfactory manner. To instance this, forfeited bonds are usually turned over (or supposed to be) to the County Auditor, who in turn passes them to the County Prosecutor to collect. The record of forfeited bonds is still kept on slips of paper, instead of being kept in a record book which should permanently record the history of the bond until its complete disposition and final collection.

Under the State Law governing the Constitution of the Court, the Chief Clerk is an elected official and is supposed to exercise supervision over the clerical force in both the Civil and Criminal branches of the Municipal Courts. The present clerk never comes near the Civil Court branch, exercises no supervision whatever over the large clerical force there, and in general acts as if no such court existed. This action on the part of the Clerk is decidedly detrimental to the interests of the citizens who elect him, and there seems to be no valid reason for such action. The only apparent excuse is the fact that there has been a decided difference of opinion between the Clerk and most of the judges as to the manner in which the affairs of the Clerk's office have been conducted, which has led to considerable criticism on the part of some of the judges.

There seems to be no good reason advanced for the election of the clerk that cannot be offset by half a dozen reasons just as good for his appointment. An amendment to the present state law should be introduced

providing for this change.

There is no more reason for the election of the Municipal Court Chief Clerk, than there is for the election of the City Clerk who is now appointed by the Council.

The present impasse should be ended in the best interests of the Court and to secure and retain the confidence of the public in its administration of justice.

COMMISSION OF PUBLICITY & EFFICIENCY

Chapter 9 of the present City Charter provides for the organization of the Commission of Publicity and Efficiency, consisting of five electors of the city, to serve without compensation, and whose duty shall be to investigate any city departments or offices as to their efficiency, to recommend to all officers and the city council changes that may be considered advisable, to secure more economical and efficient operation in the departments, to make reports to the Mayor, Council and Civil Service Commission of its conclusions and recommendations on the service of the departments from time to time, in addition to editing, printing and distributing all municipal reports and documents, including the Toledo City Journal.

This department of city government is a comparatively new feature in modern charters, and can be utilized to be of immense advantage to the community. It is unfortunate, therefore, to find that the Commission has not been able to do all that might have been expected by those who framed the charter. A few reports have been made concerning the operation of some of the departments of the city government, and a few recommendations contained in those reports have been put into effect.

It is clear, however, that to a large extent the work of the Commission of Publicity and Efficiency has been ignored by the average city official in Toledo, and it would seem as if, indeed, there was a feeling of antipathy toward the Commission and its functions, as set forth in the charter. It seems strange that more people outside of the administration forces use the information on file, (of which there is a great deal, in the office of the Commission,) than is used by those in the different departments of the city government. This compilation of information would be of decided advantage to the different departments, and the reports issued from time to time by the Commission are or ought to be a matter of interest to the officials of the city, especially those in charge of the departments investigated.

The Commission is composed of interested, loyal citizens, who are giving their time and energy to this work at no cost to the community. The administrative officials of the city are undoubtedly to blame for this indifference shown. The heads of departments and city employes generally should be encouraged in every way to use the information on file, and thereby better fit themselves to render a more efficient service to the people they represent. This spirit of indifference and lack of interest is largely responsible for the failure of the city administration to secure and retain the confidence of the great mass of the people as it should.

The powers of the Commission, as set forth in the charter, are rather broad and fairly comprehensive, altho it would seem to your investigator that there was no good reason why the Civil Service Commission should have the power to subpoena witnesses and to administer oaths to witnesses, similar to the authority given the City Council, and deny that right to the Commission of Publicity and Efficiency, except when authorized by the Mayor, as the Mayor and the acts of his appointees might be, at any time, the subject of investigation.

It would seem as if the Commission in its work has not impressed itself in a sufficiently strong manner upon the city officials or upon the great

body of citizens generally. The Commission has undoubtedly beenhampered in this work to a certain degree by a lack of sufficient funds. There is an undoubted opportunity for good in the possible service that can be rendered by the Commission and it is sure, that if the proper spirit of cooperation between the Commission and the administrative heads of the city government had been shown in the past years of its life, much benefit would have been secured to the community.

The Commission should not hesitate to speak firmly and decisively regarding conditions in city government which come to their attention as proper subjects of criticism.

It has opportunities afforded by the Charter to secure the necessary facts and information and by the proper exercise of its powers can become of great service to the community in giving to the public a concise and intelligent summary of its conclusions, with the necessary recommendations, in this way creating a more intelligent public opinion and firmly impressing itself upon the city government as an important and essential medium for securing greater efficiency and a more economical use of the tax funds. It is not sufficient to report what condition has been found as a result of investigation. The public expect recommendations and suggestions that will result in the material benefit of the department or function investigated.

Your investigator would therefore strongly urge upon the Mayor and members of the City Council that the work of the Commission be assisted in every reasonable way by granting it sufficient funds to function properly and in accordance with the intention of those who framed the charter adopted by the people of Toledo, and that more of a spirit of cooperation and less of a desire to ignore the work of the Commission be secured in the immediate future.

CITY PLAN COMMISSION

One of the most important features of the local municipal government provided for in the City Charter is the work done by the City Plan Commission. The charter provides for the appointment by the Mayor of five electors, who shall serve without compensation, and further specifies that the Council, by ordinance, shall provide in detail for the exercise of the duties of the Commission in accordance with the authority given in the charter, and that the expense incurred by the Commission shall be provided for by the Council.

The work of the Commission as outlined in the charter is of vital importance to the community. It provides for the Commission having control of the design and location of works of art, which are or may become the property of the city - the plan, design and location of public buildings, harbors, bridges, viaducts, street fixtures and other structures and appurtenances having to do with the beauty and convenience of the city - the removal, relocation, extension and platting of streets, parks and other public places and of new areas, and the preparation of plans for the future physical development of the city.

There can be no question about the intention of the charter with regard to the work to be undertaken by this Commission. From what information can be gathered, it is apparent that there has been considerable conflict of authority with the City Council regarding the duties of the Commission, and the extent of its authority.

The result of the controversy has been that the Commission has not been able to function as it should. In fact, little has been accomplished. Some of the members of the Commission have disgustedly resigned, and the whole effect has been that the city has been the loser because of the resulting inaction.

Endeavors have been made from time to time to induce the Council to appropriate a sufficient sum to allow the Commission to start on the work set aside for it under the charter provisions, but without result. No appropriation has been allowed. It is the duty of the Council to assist in every possible way in putting into practical effect the spirit of the city charter.

The City Plan Commission should have been in full action long ago, and every day's delay in the preparation of at least a general plan for the development of the city means a distinct loss to the community. The present method in vogue by the city administration for carrying on the duties prescribed in the charter for this Commission are most haphazard and crude, and the Mayor should have long ago taken the necessary steps to end the controversy and start the City Plan Commission on its work as defined in the charter.

The duties of the Commission do not necessarily mean the adoption of a rigid plan that allows for no deviation, but the charter does give to the Commission the power to adopt <u>a plan</u> - <u>a program</u> - <u>an orderly method of procedure</u> - by means of which the growth and development of this community can proceed along well defined lines - elastic - and subject to reasonable change as time and experience will dictate.

It does not necessarily mean the expenditure of a great sum of money, as there are capable men on the City Plan Commission, and there are able and

interested men on the City Plan Committee of The Toledo Chamber of Commerce, who, with a fund of information and practical experience, would be glad to lend their assistance toward the preparation of plans for the present and future developmentof the city.

To anyone who realizes the importance of this work, further inaction would be criminal. Numerous instances might be given, many of which will readily occur to the administrative officials of the city, of the worst kind of injustice being perpetrated on citizens because of the failure on the part of the city to have a plan that would protect them and their property rights.

In connection with the duties provided for in the charter, there should also be the adoption of a complete zoning system for the city, similar to that now adopted in other cities and those planned in a good many of the larger centers of population in the United States. Since the adoption of the charter great strides have been made in this most important feature of city government. Toledo's future wellbeing depends on the manner in which this provision of the charter is carried out. We cannot afford, as one of the progressive cities of the country, to lag behind other communities of the nation in the progress being made in city planning. Many of the mistakes of the past years cannot be undone. It is a wise man and a wise community that resolves that they shall not make the same mistake twice if it can be avoided.

THE TOLEDO UNIVERSITY

The estimate of expense for 1921 provided for in the Budget for Toledo University purposes, is $174,850. The following figures show the number of students attending the University:

Students attending Day Classes	274
Students attending late afternoon classes	215
Students attending evening classes	960

Many of these students attend only for some special study in which they are interested and can therefore only be considered as part-time students. If figured on a full-time basis, comparable with students in local high schools or other universities, the number would be greatly reduced.

The cost per student on a full-time basis, therefore, in the Toledo University is quite high. Credit must be allowed the University for the work undertaken in the city laboratories and public service work.

Of the above total cost for the year 1921, $144,000 will be absorbed in salaries, covering the following positions -

1 President
10 Professors
10 Associate Professors
5 Assistant Professors
3 Acting Professors
2 Instructors
21 Part-time instructors
6 Student Assistants
6 in Health Laboratory (Chemists, Technicians, etc.)
1 Dean of the Law College
9 Secretaries, Registrars, Stenographers, Clerks, etc.
4 (Superintendent Janitor, Janitor, and 2 Assistants)

The people of Toledo for years have willingly approved the expenditures of large sums of money for the purpose of providing the necessary and adequate facilities for carrying on the work of education in this community. There must ever be kept in mind, however, the importance of avoiding a duplication of these facilities. The community cannot afford to have any of its funds wasted in either extravagance, inefficiency, or in a duplication of facilities to further any purpose, however good it may be.

The University appropriations were made to properly carry out the plan of the original donor of the bequest for university purposes, which was to be in the nature of a technical trade school where the citizens of Toledo could secure technical education in those trades and industries that was otherwise denied them or made impossible of attainment by them. The University in its work has gradually drawn away from the original idea in mind and thru failure to emphasize

the practical courses in its work has developed, on the other hand, teaching of a purely academic nature, which may be entirely right and proper and of interest, and possibly benefit, to those taking advantage of such education in a free municipal institution, but not an educational course which is of distinct benefit or interest to the community paying the cost out of general taxation.

The Board of Education now is preparing to erect a technical school which will undertake the practical work for which the University was called into being, but which has not been followed closely. Here is danger of duplication, and as a result, waste. The educational authorities of the community, both public school and University boards, should, in a spirit of cooperation and a desire to economize, plan and outline their policy so as to avoid duplication wherever it can be prevented, and at the same time secure for the community the educational facilities for those needing them, within reasonable limits.

The work recently initiated by the University in its factory management classes and evening lectures is productive of distinct benefit to the community, and could be further extended with advantage.

JUDGMENTS PAID

The total amount paid by the city for judgments on account of property or personal damage sustained during the last eleven years was $113,336.75.

Figures for each year during that period are enlightening -

1910	$ 8,255.66
1911	1,638.74
1912	7,537.52
1913	2,395.64
1914	11,372.08
1915	26,149.29
1916	4,227.52
1917	18,532.69
1918	11,680.54
1919	10,562.97
1920	10,984.10

These judgments are paid by the Sinking Fund Commissioners, and are the result of claims for injuries sustained by individuals or property by reason of defective sidewalks or streets, or damage to property because of change in grade of new streets.

The judgments are ordered by the Courts after verdict has been rendered against the City, or when amount to be paid has been agreed upon between the party suing, and the City Law Department.

The amount paid by the city annually in payment of these damage claims depends largely on the energy, interest and legal acumen of the Law Department in protecting the city's interest, and the promptness and thoroughness with which the particular Department involved in the suit, acts in removing or remedying the cause of the damage sustained.

A recent case was that of a citizen who was driving along an unimproved street and had the bottom of his high-priced automobile ripped out by the construction for a manhole which extended too far above the roadway. A claim for damage sustained, was made and the claim was satisfied by the payment of $1200, which was paid by the Sinking Fund Commission, as provided by State Law.

Payment was made, however, not on the actual damage sustained, but on an estimate made of the repairs necessary. This is not a satisfactory method of settlement in a case of this nature. When the actual damage sustained can be clearly ascertained, the city should pay only on that basis. There should be no guess-work. It leaves too many opportunities for the paying of favors, and the use of "pull" and influence in such settlements. It also is apt to breed a spirit of carelessness and neglect of business-like methods in handling public affairs, especially those involving the expenditure of public funds.

The old wooden sidewalk and crosswalk were frequently causes of damage in the past years, but these now have been doneaway with and the damage sustained from these causes should be reduced.

A little intelligent interest on the part of the Service Department, with a prompt endeavor to remove all dangers to the public on our sidewalks and streets, will, with the cooperation of the Department of Law, considerably reduce this leak of public funds.

GENERAL SUMMARY

A general study of the manner in which the public funds are expended in the course of the operation of the different departments of the city government, together with an inquiry into the general efficiency of the public service of the municipality, is completely convincing in the conclusion arrived at, that there is ample opportunity for the exercise of economies that would save a large amount of the funds received from taxation annually.

The estimate made of the possible saving in the expenditures of the Division of Streets is decidedly conservative, and the reduction in cost of operation of the Division of Fire by the continuation of the present two-platoon system as compared with the threatened three platoon, or eight-hour day basis, can be accurately determined.

These and other economies, smaller in amount, but large in aggregate, can be secured to the citizens without impairing in the slightest degree either the quality or the quantity of the service rendered.

There is no demand from the citizens generally for a service that would be beyond our means, or unreasonable in cost. In all the operations of the local government the service performed should be such as will meet the reasonable demands of all the citizens of Toledo. There are certain elements in every community whose demands, if satisfied, would result in greatly increased costs. Unreasonable demands of this nature cannot be met and have the expenditure of public money kept within reasonable bounds.

On all the expenditures for street cleaning and flushing, collection of garbage, protection against fire, police protection, food inspection, and many other functions of the municipality,there should be a happy mean established, to go beyond which means extravagance and waste, for it must be remembered that extravagant or luxurious service is not expected, by, nor is it necessary for, the vast majority of our citizens.

The use of motor cars and trucks, and the addition of modern office equipment should have had the tendency not only to improve the quality of the service rendered, but at the same time to have reduced the per capita cost. There is no evidence to indicate that these results have been secured to any appreciable extent.

These questions, therefore, regarding the character and extent of the service to be performed and its cost, should have the constant and most careful consideration of all public officials. If they are ignored, chaos and confusion result, and the foundations of representative government are undermined. Their proper consideration in all business life is essential, and there is no reason to believe that municipal government can fail to recognize them and be successful.

Your investigator has endeavored to call the attention of the city officials and the general public to the expenditures in those departments where it is clear considerable saving can be secured by the exercise of common sense and business judgment, and the adoption of efficient methods. Recommendations and suggestions are of no value, however, unless, with a sincere desire to secure results, officials and public alike cooperate with this end in view.

The attention of the city officials and the general public is called to the opportunity afforded to effect a saving in public expenditures by the consolidation of the city and county governments. Many large cities in the United States are giving this question very serious consideration, and in some of them preliminary steps have already been taken to bring about this much-to-be-desired result.

The possibilities of economy as a result should be obvious to all. The present dual-government plan is expensive and wasteful. There is no good reason why the duties of the Sheriff's office could not be performed by the Chief of Police, with the organized and trained force in that department, who are not subject to the political changes usual in connection with that county office.

The work of the County Auditor and Treasurer could be handled by the Finance Department of the city, and the work of the County Commissioners taken care of by the Public Service and Welfare Departments of the city government.

The plan could be carried out by the constitution of the County of Toledo,with the addition of sufficient territory from the County of Lucas to allow for expansion and growth, or by using the present Lucas County as the unit of government, with a special department devoted to county activities particularly.

A summary of the recommendations and suggestions contained in the report is stated as follows -

A strict compliance with the requirements of the charter regarding the preparation of the annual budget.

A firm decision on the part of the administration is required to avoid further deficiencies due to unreasonable operation expenditures.

More frequent conferences of the Mayor's cabinet.

Weekly meetings of the Commissioner of each Division with the Department head.

Periodical meetings of Mayor and cabinet, with Commissioners of Divisions and foremen, to stimulate the desire to improve the service, and as essential in securing the necessary economies.

Appropriations for all departments and divisions to be apportioned on a monthly basis, and reports showing conditions of each fund to be presented to each department and division head, as well as the Chief Executive, monthly.

A careful study by officials and citizens of the merits of the City Manager Plan, and an opportunity afforded the voters, after reasonable consideration, to pass upon its adoption.

That the representation in the City Council be composed of nine members, elected at large from nine sections or wards, each member to be nominated from one of these sections, one of the qualifications for nomination being residence in that particular section, two of the nine sections to be in East Toledo.

That the adoption of the three platoon system for the operation of the

Division of Fire, be again submitted to the voters of Toledo, in special election, and that a complete statement of all the facts in connection with the services rendered, and remuneration and advantages received, by the men in this Division, be laid before the electors.

That the minimum service requirements before men in the Divisions of Fire and Police are entitled to pensions be changed from twenty-five years to thirty years.

That the present building code be changed to meet modern requirements.

That the fees charged in the Division of Inspection for certain services be raised to cover the cost of such service.

That consideration be given to the appointment of a competent Smoke Inspector.

That the records of the Division of Inspection be made more complete and thoro in the information given.

That the Chief Inspector be given complete control over all inspectors in the Division, and their work.

That the Division of Streets be organized on a business basis, and that the Commissioner be given the necessary authority to enable him to secure results. That the further use of the Division as a dumping ground for political hangers-on be immediately abandoned, and that all possible endeavor be made to bring the Division back to the proper standard of efficiency and discipline. That the Timekeeper be given the necessary facilities to enable him to keep time, and keep in constant touch with the work being done all over the city.

That the possible advantage to the city by the use of automatic street cleaning equipment be thoroly enquired into.

Men on outside work (where it is practical) should report on the job or be taken there by a quicker method than at present.

That the funds of the Water Division be kept separate from those of other departments, and that this municipal utility receive credit for all interest received on surplus funds held in banks.

That the expense of operation and maintenance of High Pressure Pumping Station be charged to the Division of Fire, and the Division of Water relieved of this unjustifiable expense.

That a central City Garage be put in operation, with a thoro record system showing cost of operation and maintenance of each machine, and that the Water Division be relieved of this burden.

That immediate action be taken by the Law Department to collect the amount due (indeed long overdue) the City by The Ohio State Telephone Company, for pole fees.

That the reports of the State Examiners be given more careful consideration.

Division of Fire, be again submitted to the voters of Toledo, in special elections, and that a complete statement of all the facts in connection with the service rendered, and remuneration and advantages received, by the men in this Division, be laid before the electors.

That the minimum service requirements before men in the Divisions of Fire and Police are entitled to pensions be changed from twenty-five years to thirty years.

That the present building code be changed to meet modern requirements.

That the fees charged in the Division of Inspection for certain services be raised to cover the cost of such service.

That consideration be given to the appointment of a competent smoke inspector.

That the records of the Division of Inspection be made more complete and more in the information given.

That the Chief Inspector be given complete control over all inspectors in the Division, and their work.

That the Division of Streets be organized on a business basis, and that the Commissioner be given the necessary authority to enable him to secure results. That the further use of the Division as a dumping ground for political managers-on be immediately abandoned, and that all possible endeavor be made to bring the Division back to the proper standard of efficiency and discipline. That the Timekeeper be given the necessary facilities to enable him to keep time, and keep in constant touch with the work being done all over the city.

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That the reports of the State Examiners be given more careful consideration.

That a storeroom be provided for the proper operation of the Division of Purchases and Supplies.

That the work of the Division of Health be extended to cover more completely a service to the public along educational and preventive lines, under a public health official with special fitness and training, who will give his whole time and energy to the duties of the office.

That the work of the Conciliation Department of the Municipal Court be extended.

That a thoro record of forfeited bail bonds be kept showing the disposition of each case.

That the attention of our representatives in the State Legislature be directed to the necessity for the enactment of a law providing for the appointment, instead of election, of the Municipal Court Clerk.

That the fullest measure of support and cooperation be given the Commission of Publicity and Efficiency.

That the City Council cooperate in everyessential with the City Plan Commission in carrying out the intent of the charter provisions and that in addition to a general city development plan the Commission adopt a comprehensive zoning system for the whole city.

That the educational authorities of the community - the Board of Education and the University Board - cooperatively outline the plan of education in Toledo to avoid duplication and an unnecessary expenditure of public funds.

That the University authorities adhere to the original plan of the founder and devote their activities to the practical education of the citizens in those arts and trades that are of distinct benefit to the community as a whole.

The recommendations and suggestions contained in this report are hereby endorsed.

Walter Stewart

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Gustavus Ohlinger

W.K. Terry

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That a courtroom be provided for the proper operation of the Division of Juveniles and Domestics.

That the work of the Division of Health be extended to cover more completely a service to the public along educational and preventive lines, under a public health official with special fitness and training, who will give his whole time and energy to the duties of the office.

That the work of the Conciliation Department of the Municipal Court be extended.

That a short record of forfeited bail bonds be kept showing the disposition of each case.

That the attention of our representatives in the State Legislature be directed to the necessity for the enactment of a law providing for the appointment, instead of election, of the Municipal Court Clerk.

That the fullest measure of support and cooperation be given the Commission of Publicity and Efficiency.

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